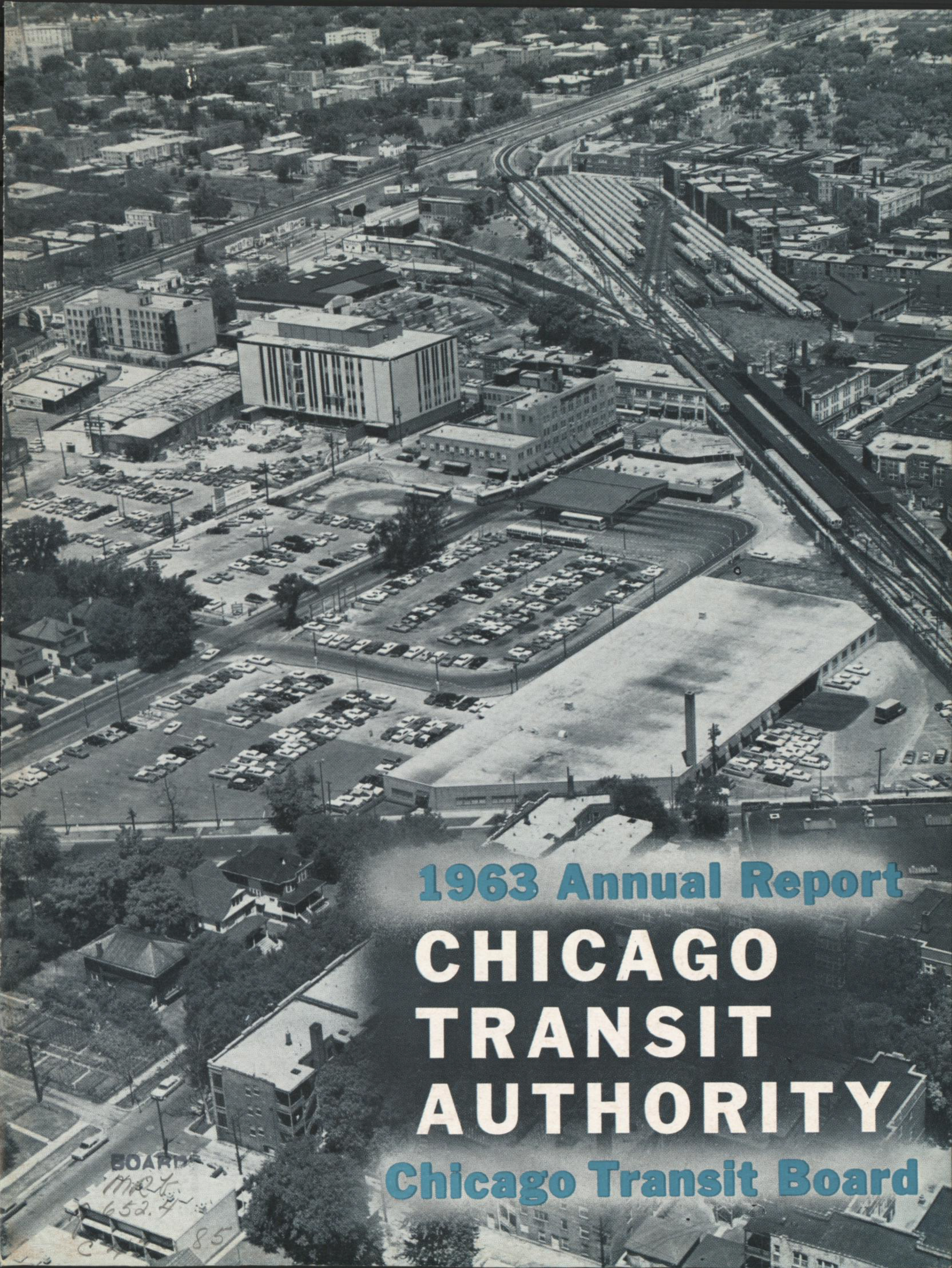

1963 Annual Report

CHICAGO TRANSIT AUTHORITY

Chicago Transit Board

BOARD
MRL
652.4
C4 85

COVER DESIGN

Aerial view of Howard Street Terminal operation looking northwest, showing bus interchange with adjacent parking lots and rapid transit car storage area.

FOR RELEASE TO AFTERNOON NEWSPAPERS OF WEDNESDAY, AUGUST 19, 1964.

Chicago Transit Authority's gross revenues for 1963 totaled $134,080,218, a decrease of $3,760,731 from 1962, but operating and maintenance costs and other charges were held to an increase of only $50,936 despite contract wage increases aggregating more than $2,800,000, according to the annual report issued today (Wednesday) August 19, by Chicago Transit Board.

Revenues were sufficient, however, to meet all costs, including debt service and the required provision for depreciation, leaving a balance of $19,483 available for charges that are not mandatory.

Factors adversely affecting revenues for the year were a reduction in work hours by a noticeable number of factories, a prolonged epidemic of respiratory diseases, completion of the Dan Ryan Expressway connection with the city's expressway system, and a period of extremely cold weather during the Christmas shopping season. Fifty-seven per cent of the total loss in riding during the year occurred in the first three months.

There were, however, a number of major plant and equipment improvements completed or undertaken to better transit service. Among the plant improvements were:

> Completion of a new bus overhaul shop at 78th street and Vincennes avenue on October 1, CTA's 16th anniversary, at a total cost of $6,100,000, including shop tools; award of contracts for construction of a substation and transportation building at the Forest Park terminal of the Lake rapid transit route, a $604,425 project; expansion of Park-'N'-Ride facilities at Linden avenue, Wilmette; continuing modernization of the Howard street terminal of the North-South rapid transit route, and the installation of a new semi-automatic interlocking system and the expansion of the station platform at the Kimball terminal of the Ravenswood rapid transit route.

(MORE)

Equipment modernization included:

Delivery of 133 "New Look" 50-passenger buses in January, completing an order for 150 diesel-powered units purchased from the truck and coach division of General Motors. Another 150 "New Look" buses powered by odorless LP-gas (propane) were received from the Flxible Company of Loudonville, Ohio, during the period from April through July.

On July 13, 1963, a contract for the manufacture of 180 "New Look" air-conditioned rapid transit cars was awarded to Pullman-Standard of Chicago on its low bid of $18,990,000. These units will replace approximately 200 outmoded rapid transit cars that have been in service 40 to 50 years.

By year end, CTA had invested or committed a total of $195,724,000 since its inception for modernization of plant and rolling stock, and for replacement of vehicles that had become outmoded in the interim. This greatly exceeds modernization and replacement achievements during any similar period in the history of transit in Chicago.

By December 31, 1963, CTA had taken delivery of 4,987 new revenue vehicles, and had on order the 180 "New Look" air-conditioned cars. This completed the modernization program that began with CTA's inception, and provided 911 vehicles for replacement of units that had become outmoded in the intervening years. The modernization program called for the purchase of 4,256 units.

Cost of these 5,167 units totals $146,731,000--of which $85,064,000 is for 4,213 surface system passenger units and $61,667,000 for 954 rapid transit cars. The net cost of all these units, however, was $138,751,000, after giving effect to the value realized on PCC streetcar components used in the construction of 570 new rapid transit cars. The cost of plant improvements is $48,993,000.

(MORE)

Originating revenue passengers for the combined system in 1963 totaled 492,231,532, a decrease of 2.51 per cent as compared with 1962. Of this total, the surface system accounted for 381,166,527 revenue passengers and the rapid transit system, 111,065,005, representing a decline of 2.48 per cent on the surface system and 2.63 per cent on the rapid transit system.

An important development during the year was the approval on October 3 by Chicago Transit Board of the purchase from the defunct North Shore Line of right-of-way and related property required for the proposed operation of the Skokie rapid transit service demonstration between Howard street, Chicago, and Dempster street, Skokie.

The negotiated price for the five-mile strip of property was $2,000,000. Net cost to the CTA, however, was $1,700,000, since the Commonwealth Edison Company, which has power transmission lines along the property, paid $300,000 to CTA for converting its easements into perpetual rights.

Noteworthy during the year was the high degree of safety attained in surface and rapid transit operations. In 1963, CTA was involved in fewer reported traffic and passenger accidents than in any year in its history, and the frequency rate of traffic and passenger accidents per 100,000 miles operated was the second best since the CTA take-over of its transit properties. For the third consecutive year, the traffic and passenger frequency rate was held below 10 accidents per 100,000 miles operated. The significance of this low rate is noteworthy when compared with CTA's experience in the years 1947 through 1954 when the rate fluctuated between 15 and 20. This is the result of the continuing intensive safety-training activity program conducted among operating employes in recent years.

The total number of employes in service at the close of 1963 was 13,005, an increase of 73 over the 12,932 employes at December 31, 1962, but a decrease of 10,363 from the 23,368 employes in service at dates of acquisition of properties from predecessor companies. During 1963, 377 employes retired on pension, seven employes drawing disability pensions returned to active duty, and 456 retired employes died. At December 31, 1963, there were 5,479 retired employes receiving pension payments.

Employes' group insurance costs for 1963 increased $29,800 as a net result of liberalized benefits provided under the current three-year wage and working conditions contracts which became effective December 1, 1962. Sick and accident insurance payments were increased from $50 to $56 per week; life insurance was increased from $2,000 to $2,500; hospital insurance benefits were increased from $6.00 to $10.00 per day, extra charges from $30 to $100 per illness, and emergency allowances from $10 to $100. The increased annual cost for these added benefits is approximately $276,000, which was partially offset by experience rating credits and other adjustments applicable to, or earned in, prior years.

During the year, on March 21, Virgil E. Gunlock, Chairman, Chicago Transit Board, was taken by death. He had been a member and Chairman of the Board since July, 1954. He was succeeded as a board member on April 29, 1963, by George L. DeMent, who was appointed by Mayor Richard J. Daley, and approved by Governor Otto Kerner. Mr. DeMent, who was commissioner of public works for the City of Chicago at the time of his appointment, was unanimously elected Board Chairman for a three-year term beginning July 2, 1963.

On May 7, Raymond J. Peacock was reappointed a member of Chicago Transit Board, and James E. Rutherford was appointed to succeed Edward F. Moore, whose term had expired. Mr. Rutherford's appointment became effective May 22, 1963, and expires August 31, 1969. The appointments were made by Governor Kerner and approved by Mayor Daley.

****

FROM: CHICAGO TRANSIT AUTHORITY
DEPARTMENT OF PUBLIC INFORMATION
H. L. POLLAND, DIRECTOR
MDSE. MART PLAZA, P. O. BOX 3555
CHICAGO, ILLINOIS 60654
TELEPHONE: MOhawk 4-7200

CHICAGO TRANSIT AUTHORITY

NINETEENTH ANNUAL REPORT

CHICAGO TRANSIT BOARD

For the Fiscal Year Ended December 31, 1963

MEMBERS OF THE BOARD

and Date Terms Expire

Mrs. Bernice T. Van der Vries	G	August 31, 1963*
James R. Quinn, *Vice Chairman*	M	August 31, 1964
Joseph D. Murphy	M	August 31, 1965
George L. DeMent, *Chairman*	M	August 31, 1966
William W. McKenna, *Secretary*	M	August 31, 1967
Raymond J. Peacock	G	August 31, 1968
James E. Rutherford	G	August 31, 1969

M—Appointed by the Mayor of the City of Chicago.

G—Appointed by the Governor of the State of Illinois.

*—Continues to serve until a successor has been appointed and has qualified.

Walter J. McCarter, *General Manager*

William J. Lynch, *General Attorney*

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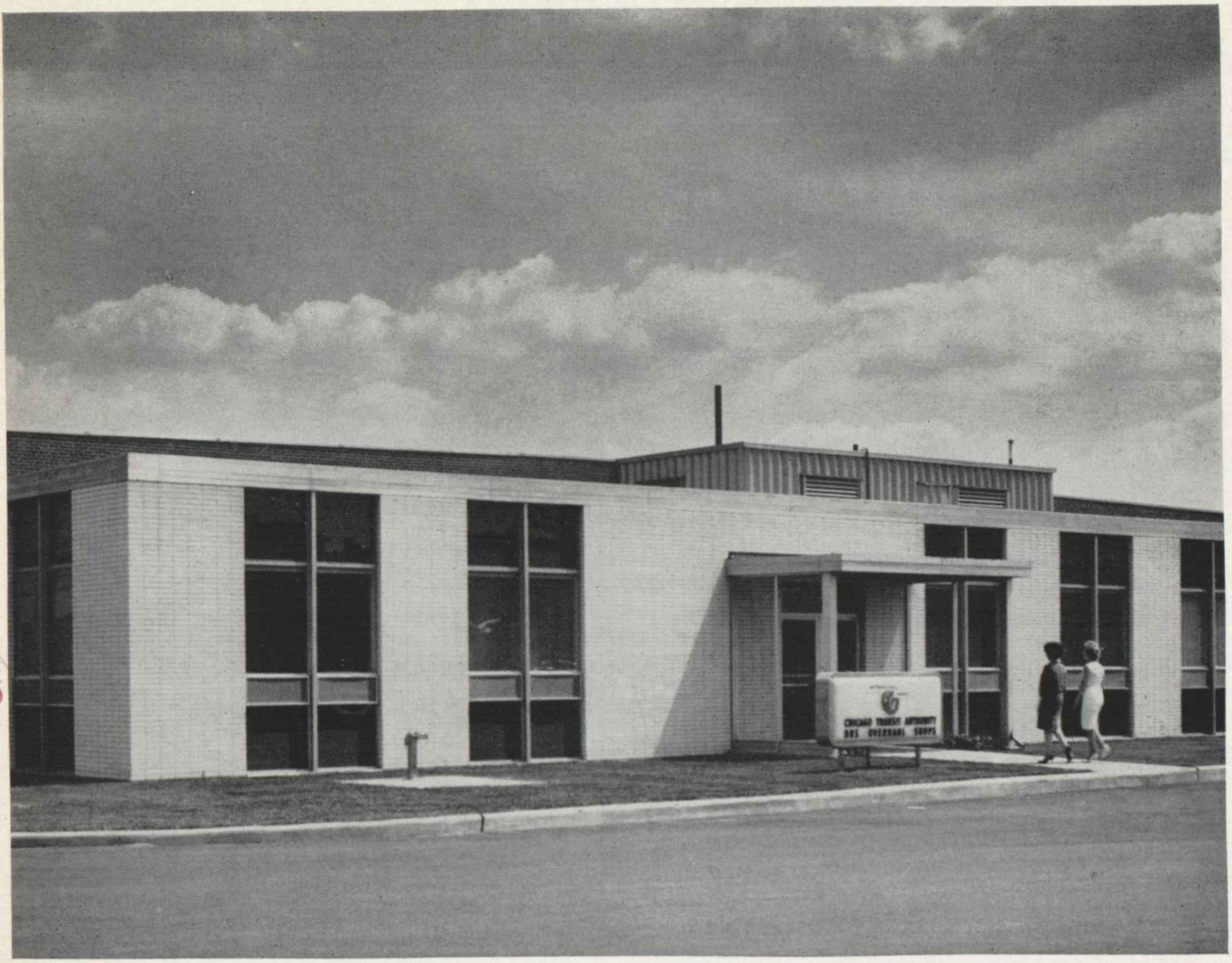

This light glazed brick building, located at the west end of the northwest wing of the major bus overhaul shop, houses Shops and Equipment Department supervisory and office personnel.

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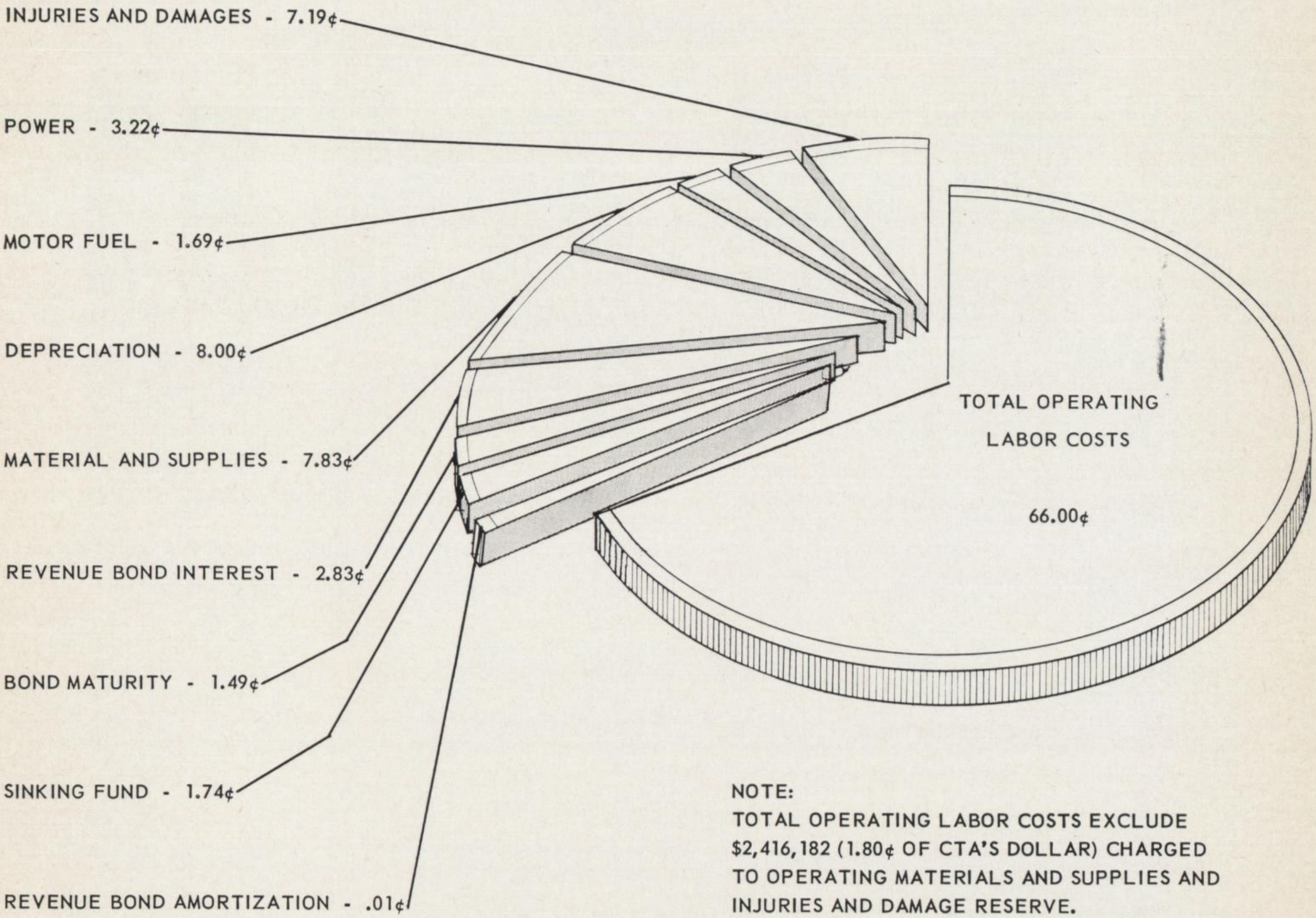
DISTRIBUTION OF CTA'S 1963 REVENUE DOLLAR



NOTE:
TOTAL OPERATING LABOR COSTS EXCLUDE $2,416,182 (1.80¢ OF CTA'S DOLLAR) CHARGED TO OPERATING MATERIALS AND SUPPLIES AND INJURIES AND DAMAGE RESERVE.

CHICAGO
TRANSIT
AUTHORITY

ANNUAL REPORT FOR YEAR 1963

FINANCIAL RESULTS

Chicago Transit Authority operations in the year 1963 were adversely affected by increased local unemployment, extremely cold weather and related ills, and accelerated automobile competition resulting from opening of the connecting section of the Dan Ryan Expressway in December 1962.

Gross revenues for the year totaled $134,080,218, a decrease of $3,760,731 from 1962. Operating and maintenance expenses and other charges were held to an increase of only $50,936 in spite of wage increases aggregating in excess of $2,800,000 during 1963, leaving sufficient revenues available to meet all debt service requirements, depreciation provision, and a balance of $19,483 for other charges. The corresponding 1962 balance available for other charges was $2,568,154.

Comparative results of operation for 1963 and 1962 are shown below:

	1963	1962
Revenues	$134,080,218	$137,840,949
Operation and Maintenance Expenses	115,211,157	115,160,221
	18,869,061	22,680,728
Debt Service Requirements	8,123,161	8,242,216
Balance Available for Depreciation	10,745,900	14,438,512
Depreciation Provision—		
Current Period	10,726,417	11,027,276
Carry-Over of Prior Year's Deficiency	-0-	843,082
	10,726,417	11,870,358
Balance Available for Other Charges	19,483	2,568,154
Other Charges—		
Revenue Bond Amortization Fund	19,483	1,266,854
Operating Expense Reserve Fund	-0-	900,000
Municipal Compensation Fund	-0-	401,300
	$ 19,483	$ 2,568,154

Sources of the Authority's revenues for 1963 and 1962 were as follows:

	1963	1962	1963 % Increase (Decrease)
Passenger Revenues—			
Surface System	$101,580,149	$104,541,381	(2.83%)
Rapid Transit System	30,226,039	31,037,819	(2.62)
	131,806,188	135,579,200	(2.78)
Chartered Service	487,580	442,650	10.15
	132,293,768	136,021,850	(2.74)
Other—			
Station and Car Privileges	543,271	505,579	7.46
Rent of Track and Facilities	16,955	325,139	(94.79)
Rent of Buildings and Other Properties	438,744	406,083	8.04
Miscellaneous	787,480	582,298	35.24
	1,786,450	1,819,099	(1.79)
TOTAL REVENUES	$134,080,218	$137,840,949	(2.73%)

Passenger revenues of $131,806,188 for 1963 declined $3,773,012 from 1962; a 12,679,445 (2.51%) loss in originating revenue passengers accounted for $3,082,671; a 9,475,158 (3.69%) decrease in use of 5c transfers accounted for $473,758; and an 0.18% reduction in average basic fares due to a higher ratio of students riding for a 12c fare accounted for an additional loss of $216,583.

Charter service revenues for 1963 increased $44,930 and other revenues declined $32,649. The principal reduction in other revenues was $308,184 in rent of track and facilities due to abandonment of service by the Chicago, North Shore and Milwaukee Railway, lessee, in January 1963. Practically every other category of miscellaneous revenue showed an increase in 1963, chief of which were: $175,381 in interest on securities in various funds, $36,250 in car card advertising, $32,660 in rent of buildings and other property, $20,065 in proceeds from sale of student identification cards, and $9,860 in parking lot fees.

Operation and maintenance expenses in 1963 increased $50,936. Operating economies practically offset the increase in wage and related expenses which occurred during the year.

The principal elements making up operation and maintenance expenses for years 1963 and 1962 were:

	1963	1962	1963 Increase (Decrease)
Wages and Salaries	$ 78,585,892	$ 77,072,833	$1,513,059
Pension Contributions	6,517,255	6,313,171	204,084
Federal Insurance Contributions	2,274,746	1,964,995	309,751
Employes' Insurance	1,121,856	1,092,056	29,800
TOTAL LABOR COSTS	88,499,749	86,443,055	2,056,694
Electric Power Purchased	4,315,747	4,404,118	(88,371)
Motor Fuel Consumed	2,267,524	2,370,746	(103,222)
Operating Materials and Supplies	5,476,924	5,839,542	(362,618)
Provision for Injuries and Damages	9,634,954	10,193,469	(558,515)
Misc. Services, Supplies, etc.	5,016,259	5,909,291	(893,032)
TOTAL OPERATION AND MAINTENANCE EXPENSES	$115,211,157	$115,160,221	$ 50,936

Wages and salaries were increased in 1963 by the application of higher wage rates and cost-of-living allowances provided in contracts negotiated in 1962. These changes, applied to the basic one-man operator wage rates, were as follows:

	Basic One-Man Hourly Rate	Cost-of-Living Allowance	Total
December 31, 1962	$2.860	$ —	$2.860
1963 Changes effective			
March 1	—	—	—
June 1	—	—	—
September 1	—	+0.025	+0.025
December 1	+0.09	—0.005	+0.085
December 31, 1963	$2.950	$0.020	$2.970

The wage rates described above, together with the cumulative effect of changes in wage rates made in 1962 would have increased 1963 wage costs approximately $2,829,000. However, the actual increase in wages paid during 1963 was only $1,513,059 because $1,316,000 was saved by increased efficiency and operating economies, including a reduction of 450,972 miles in revenue service. Pay hours charged to 1963 operations were 432,082 less than in 1962.

Pension contributions for 1963 increased $204,084 because of higher earnings in the employe group for whom pension contributions are made. The Authority's contribution rate in 1963 and 1962 was 8% of gross wages of all eligible employes. Employe contributions are one-half those of the Authority.

Federal insurance contributions (old-age, survivors, and disability benefits) increased $309,751 because the 1963 tax rate was increased to 3⅝% on the first $4,800 of wages, up from the 1962 rate of 3⅛% on the same wage base. This tax increase, amounting to $24.00 per year per employe, applied to the average of approximately 12,900 active emlpoyes subject to the tax would account for an increase of $309,600.

Employes' group insurance costs for 1963 increased $29,800 as a net result of liberalized benefits provided under the current three-year wage and working conditions contracts which became effective December 1, 1962. Sick and accident insurance payments were increased from $50 to $56 per week; life insurance was increased from $2,000 to $2,500; hospital insurance benefits were increased from $6 to $10 per day, extra charges from $30 to $100 per illness, and emergency allowances from $10 to $100. The increased annual cost for these added benefits is approximately $276,000. These increased costs were partially offset by experience rating credits and other adjustments applicable to, or earned in, prior years.

Electric power cost in 1963 was $88,371 less than in 1962 due to a reduction of 299,182 in miles operated by electric-powered vehicles, a slight reduction in mean temperature in 1963 which reduced the amount of power consumed for heating vehicles, and lower cost of converting power from AC to DC current. The actual energy cost per AC kilowatt hour at point of supply was the same during both 1963 and 1962.

Motor fuel costs for 1963 were $103,222 under those in 1962. A slight reduction in motor bus miles operated saved $28,900. A 4¾% reduction in the average fuel cost per gallon affected a saving of $69,760, and a slight increase in miles operated per gallon of fuel consumed saved $4,560.

Operating material and supplies decreased $362,618. Nominal increases or decreases in material costs occurred in various expense categories due to unusual occurrences and/or general price increases. Offsetting decreases resulted from mileage reductions; the acquisition of 300 new motor buses between December 1962 and July 1963; substantial non-recurring expenses, and operating economies. The introduction of 300 new motor buses and retirement of an equal number of over-age buses was responsible for a substantial portion of a $230,000 reduction in cost of bus maintenance materials.

Provision for injury and damage settlements, accrued at the rate of 7¼% of total revenues during the first eleven months of 1963 and at the rate of 6½% in December 1963, decreased $558,515 from 1962, when the accrual rate was 7¼% throughout the full year. The 1963 accrual decreased $272,653 in direct ratio with the 1963 decrease of $3,760,731 in total revenues; decreased $85,862 on account of the reduction in accrual rate, and further decreased $200,000 because Chicago Transit Board had made a special provision of that amount in 1962 to meet anticipated increased costs. An additional accrual of ¼ of 1%, effective March 1, 1960, had been authorized by Chicago Transit Board to create an excess public liability and property damage reserve in lieu of purchasing $850,000 of insurance in excess of $250,000 for any one accident. This excess reserve fund was to be built up to a total of $1,000,000, which was reached in February 1963 and is to be maintained at that amount thereafter. There have been no serious accidents necessitating withdrawals from this excess reserve fund since its inception and the balance in the fund at December 31, 1963 was $1,000,000.

Claim and suit settlements and expenses applicable thereto amounted to $7,711,428 in 1963 compared with $8,313,845 in 1962, as shown below:

	1963	1962	1963 Increase (Decrease)
Claim Settlements—			
Number	15,396	16,443	(1,047)
Settlement Costs	$2,695,516	$3,078,527	($383,011)
Expenses	951,662	1,193,481	(241,819)
TOTAL COST OF CLAIMS	$3,647,178	$4,272,008	($624,830)
Suit Settlements—			
Number	2,067	2,133	(66)
Settlement Costs	$3,010,139	$3,303,181	($293,042)
Expenses	1,054,111	738,656	315,455
TOTAL COST OF SUITS	$4,064,250	$4,041,837	$ 22,413
TOTAL COST	$7,711,428	$8,313,845	($602,417)

Average cost per claim settled, exclusive of expenses, decreased to $175 in 1963, down from $187 in 1962, and suit costs, exclusive of expenses, averaged $1,456 in 1963, down from $1,549 in 1962. The total cost of claim settlements in 1963 amounted to 5.75% of total revenues, down from 6.03% in 1962. Incidents involving the Authority's operations giving rise to claims and suits totaled 22,340 in 1963, down from 23,136 in 1962, a decrease of 796 (3.4%) from 1962.

Cost of miscellaneous services and supplies for 1963 were $893,032 less than in 1962. Numerous fluctuating and in some cases non-recurring categories of expenses are included under this caption. The larger items accounting for this reduction in 1963 costs included a credit of $318,950 to reverse over accruals for anticipated holiday and sick pay allowances, a reduction of $133,750 in fees of consultants in connection with the programming and installation of an automated responsibility accounting system, a reduction of $29,700 in cost of engineering surveys and reports, a saving of $264,600 in rental of 100 Mack motor buses which had been operated in CTA service since the fall of 1956 under a lease agreement and which were purchased by the Authority in October 1962, a decrease of $114,550 in tire rental due to a reduction in miles operated and a lower average rental rate, an increase of $180,000 in credits on account of expenses capitalized, and a reduction of $83,250 in the cost of sand, salt, truck rentals and repairs, and related expenses incurred in the removal of snow and ice from transit routes. The foregoing reductions aggregating $1,124,800 were partially offset by a 1963 increase of $144,350 for rental of Chicago and Northwestern Railway right-of-way following elevation of the Lake Street rapid transit route in October 1962, and an increase of $141,180 for contract painting of elevated structures.

Debt service requirements for 1963 amounted to $8,123,161, down $119,055 from 1962. Deposits to the Series of 1947, 1952 and 1953 sinking funds increased $84,075 to the required total of $2,327,328

Revenue bus miles on the Surface System (105,831,951) were reduced 0.34% (357,665) from 1962 even though revenue passengers declined 2.48%. There was very little change in the amount of service provided during morning and evening rush hour periods. Most of the curtailment occurred during non-rush hours and on Saturdays and Sundays in line with the decline in riding, as illustrated by the following statistical data:

	Surface System	
	1963 Decrease from 1962	
	Revenue Miles	Revenue Passengers
Weekdays	0.26%	2.40%
Saturdays	0.86	3.11
Sundays and Holidays	0.69	2.38
TOTAL	0.34%	2.48%

During 1963, an average of 2,872 surface buses operated approximately 328,350 revenue miles each weekday over Chicago's congested streets and boulevards.

Limited and Express Bus Service

Over the years the Authority has, from time to time, inaugurated Express or Limited bus operation to better serve its patrons whenever and wherever passenger demand required and physical characteristics of routings permitted. A comprehensive survey of the amount of this type of service presently being rendered discloses that for service operating on regular city streets, but supplying service at a limited number of stops, the Authority operates 14 lines scheduling 1,072 inbound and 991 outbound trips. Ten of these lines supply this type of service as a second layer of trips over the same area through which local stop service is operated. These are lines having a sufficient volume of passengers to justify operating the two layers of service with reasonable frequencies of operation during certain periods of the day. Four of the 14 lines operate on regular city streets with stops spaced at approximately twice the normal local service stop spacing of 660 feet. There is no first layer of local service on these four lines (Douglas Ext. Ltd., South Chicago-Ewing Express, Washington Express and Westchester Limited).

In addition to the above described limited stop service operating on regular city streets, fifteen lines operate Express Service on Limited Access Roadways for portions of their entire length, for which 490 inbound and 440 outbound trips are scheduled. Average one-way distance operated on limited access roadways is 4.73 miles per line, ranging from a low of 1.25 miles to a maximum of 9.28 miles.

Since this Express Service is predominantly non-stop, scheduled speeds often equal or exceed those attained on the rapid transit system operating over its own grade-separated, private rail system. Scheduled speed during the morning rush period averages 22.54 miles per hour, ranging from a low of 15.00 M.P.H. to a high of 33.84 M.P.H.

Speed of Operation and Traffic Conditions

Average scheduled speed of Surface System buses in 1963 increased to 11.88 M.P.H. as compared with 11.77 M.P.H. in 1962 and 11.74 M.P.H. in 1961. This progressive increase in scheduled speed can be attributed to continued study of running time allowances to meet shifting conditions such as the influence on local transit routes from attraction of auto and truck traffic to the several Expressways. The operation of certain Authority vehicles via Expressways, the inauguration of all express stop service on South Chicago-Ewing line north of 91st Street, and the introduction of 300 new buses all tended to improve scheduled speed.

The City of Chicago 1963 Cordon Count of vehicles and passengers entering and leaving the Central Business District of Chicago during a twelve-hour period on a representative weekday in May reveals that the opening of the Dan Ryan Expressway relieved the C.B.D. of a great deal of through traffic. In 1963 there were 28,839 (9.52%) fewer passenger automobiles entering and leaving the district during the twelve-hour study period and the total number of heavy trucks and other service vehicles was 36,898, a reduction of 8,914 vehicles, or 19.46% less than in 1962.

Scheduled speed of Rapid Transit System cars in 1963 was 22.41 M.P.H., down fractionally from 22.42 M.P.H. in 1962. There were no changes in operation or equipment assignment which would influence any particular change in scheduled speeds.

Public Safety

Again in 1963, Authority employes maintained the high degree of safety attained after years of training and accident prevention efforts. In 1963, the Authority was involved in fewer reported traffic and passenger accidents than in any year in its history. The frequency rate of traffic and passenger accidents per 100,000 miles operated was the second best rate in Authority history. For the third consecutive year, the traffic and passenger accident frequency rate was held below ten accidents per 100,000 miles operated. The significance of this low rate is noteworthy when compared with the Authority's experience in the years 1947 through 1954 when the rate fluctuated between fifteen and twenty.

The following table compares the Authority's 1963 public accident experience with 1962 and also with 1954 to show the improvement in its public safety record over this ten-year period of intensive safety-training activity. All traffic and passenger accidents involving the Authority are included regardless of liability or extent of damage:

PUBLIC ACCIDENT EXPERIENCE

				1963 Increase (Decrease)	
	Year 1963	Year 1962	Year 1954	From 1962	From 1954
Traffic Accidents	8,656	9,102	16,300	(4.9%)	(46.9%)
Passenger Accidents	6,031	5,668	9,678	6.4	(37.7)
Total Accidents	14,687	14,770	25,978	(0.6%)	(43.5%)
Revenue Vehicle Miles on Routes (in thousands)	149,292	149,769	164,222	(0.3%)	(9.1%)
Frequency Rate—Accidents per 100,000 Miles—					
Traffic Accidents	5.8	6.1	9.9	(4.9%)	(41.4%)
Passenger Accidents	4.0	3.8	5.9	5.3	(32.2)
Total Accidents	9.8	9.9	15.8	(1.0%)	(38.0%)

New Revenue Vehicles

During January 1963 the Authority received 133 "New Look" 50-Passenger motor buses to complete an order for 150 diesel-powered units purchased from the GMC Truck and Coach Division of General Motors Corporation.

Another 150 "New Look" buses powered by odorless propane (LP-Gas) motors were received during the period April through July 1963 on an order placed with The Flexible Company of Loudonville, Ohio.

Both the General Motors and Flexible buses are powered by the latest type engines, have automatic transmissions, power steering, and air springs for maximum riding comfort. Ventilation and heating is provided by a central unit capable of distributing 1,500 cubic feet of filtered air per minute throughout the bus. More seat width is provided by widening cushions from 33 to 36 inches, and more aisle room at hip-height is made possible by slanting edges of the seat backs away from the aisle.

EXPRESS MICHIGAN-VAN BUREN
270
364
M14 165

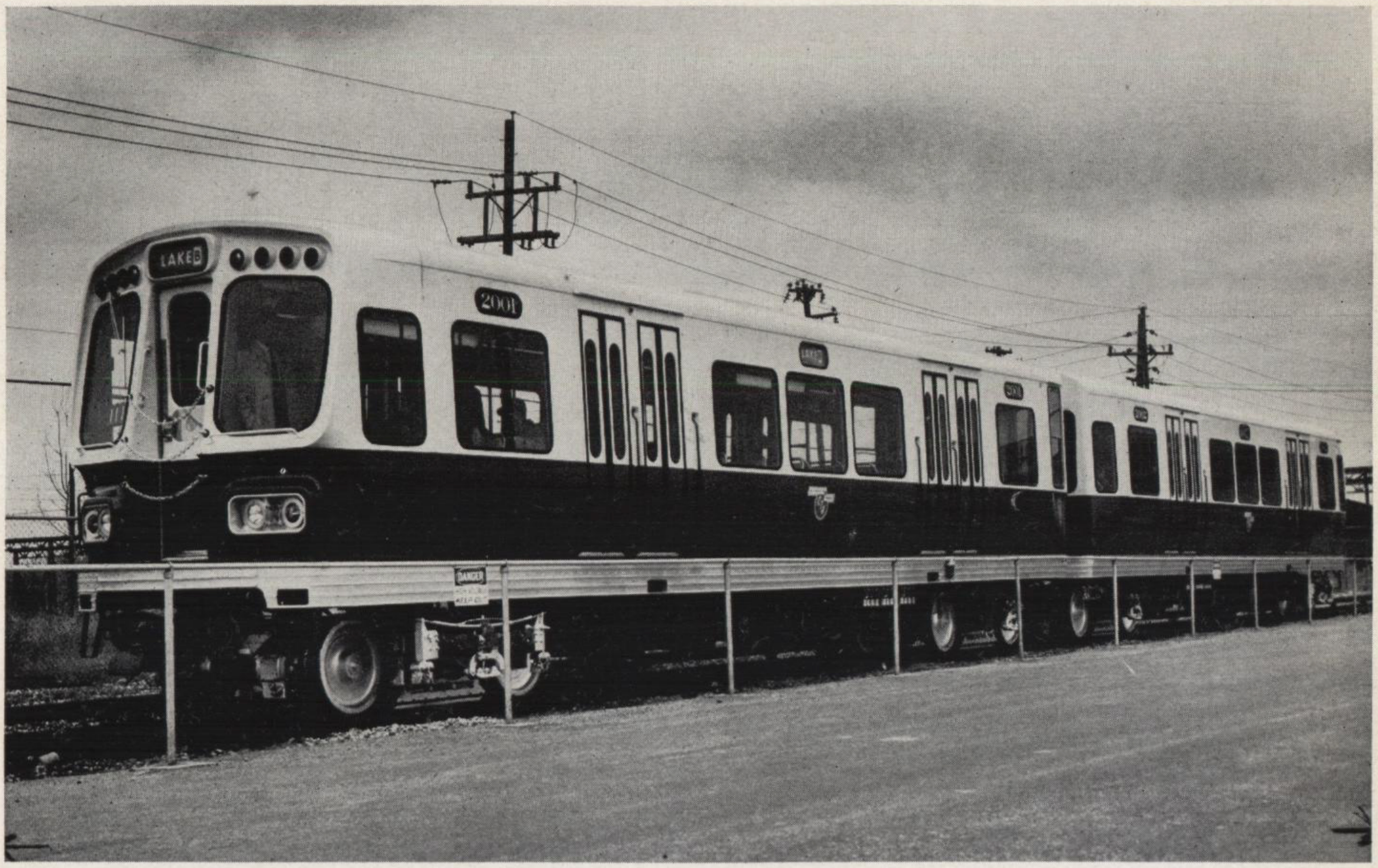
One of 150
"New Look"
G.M.C. Buses.

EXPRESS MICHIGAN-ADAMS
1963
8700
M12 054

One of 150
"New Look"
Flexible Buses.

There are now 600 "New Look" buses in daily operation. That the new buses are winning wide approval among Chicagoans is apparent from the many favorable comments received from transit riders, who are impressed with their many refinements in design, appearance and riding comfort.

On June 13, 1963, Chicago Transit Board awarded a contract to Pullman-Standard of Chicago for manufacture of 90 two-car units (180 cars) of air conditioned "New Look" rapid transit cars to cost $18,990,000. In addition to air conditioning, the 180 new cars, equipped with four 100-horsepower motors, will be notable for their advanced design and a potential speed of 65 miles per hour.



Two of the 180 "New Look" air-conditioned rapid transit cars

Other design features, stressing passenger comfort and safety, attractiveness and operating efficiency, incorporated in the new cars include:

New type trucks equipped with steel and rubber springs and shock absorbers which were designed by Authority engineers in cooperation with a group of manufacturers to produce maximum safety and riding comfort;

New type, four-position motorman's controllers assure maximum smoothness in acceleration and braking;

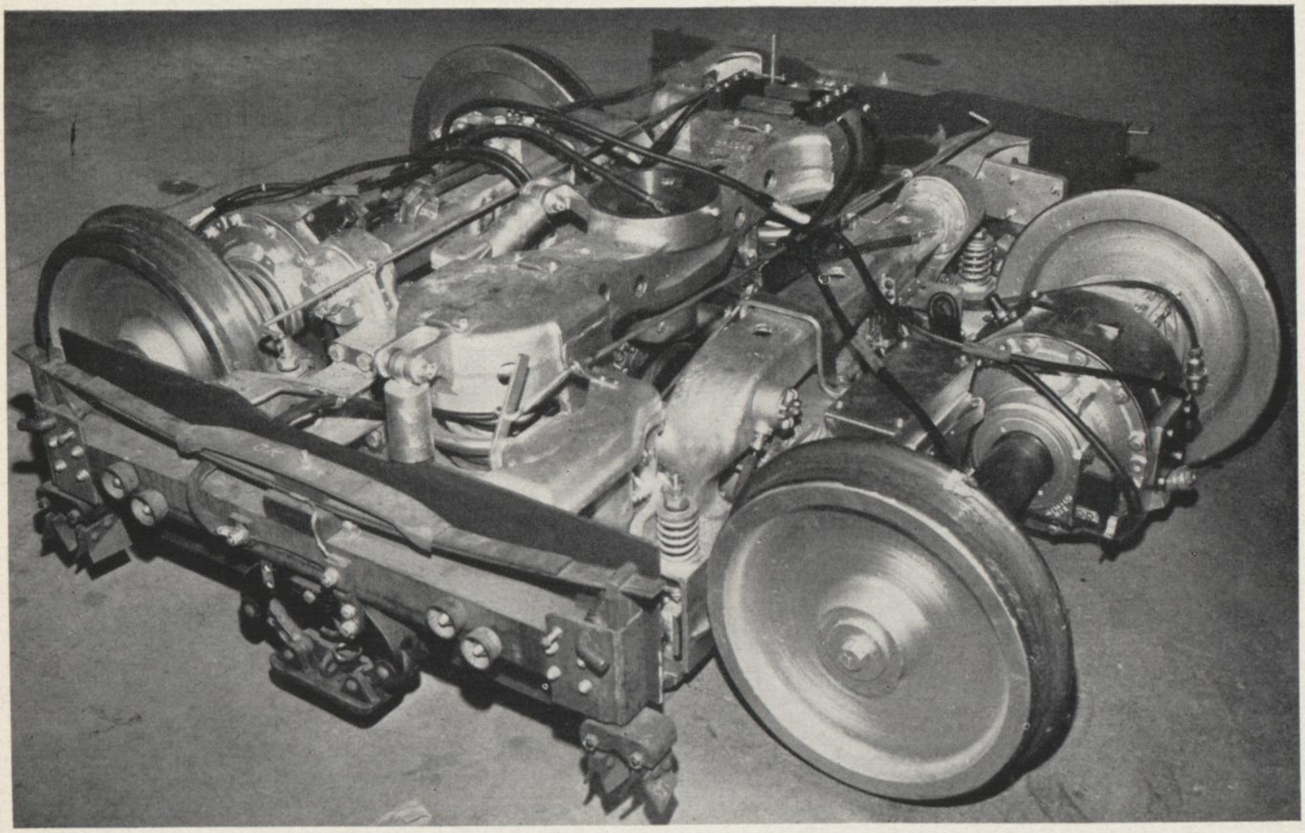
Full vision picture windows with laminated safety sheet glass tinted to reduce heat from the sun's rays; 36-inch instead of 33-inch wide seats and cushions of soft, pliable vinyl-coated plastic;

A substantially improved automatically controlled heating and ventilating system designed for maximum passenger comfort when the air conditioning is not operating;

Revolutionary fluorescent illumination integrated with the car-card racks to produce the effect of continuous rows of color transparencies and yet provide 30 foot-candles of light at the reading plane;

Urethane foam insulation for noise and weather-proofing in the roofs and sidewalls.

Semi-permanently coupled together, each two-car unit will have a seating capacity of 98 passengers, 47 in car "A", the conductor's car, and 51 in car "B". Car frames are to be capable of withstanding a minimum



The new type trucks designed for the new rapid transit cars.

of 200,000 pounds of static pressure applied against the anti-climbers at the ends of the car frame.

According to the manufacturer's delivery schedule, all 180 cars should be in service by September, 1964. Lake Street rapid transit route is to receive 132 of the cars to fully equip that line with "New Look" cars. The balance of 48 cars will be assigned to the Douglas branch of the West-Northwest route, thereby permitting the retirement of the last of the old 4000 series cars on these lines, 148 from the Lake Street and 52 from the Douglas Park Branches. The operating speed of both routes will be improved by retirement of old cars ranging in ages of from 40 to 50 years.

Revenue vehicles owned and operated at December 31, 1963 consisted of the following:

	Owned	Active	% Active
Surface System—			
Trolley Buses	529	521	98.49%
Motor Buses—			
Gasoline	62	0	0
Diesel	1,047	987	94.27
Propane	1,694	1,671	98.64
Total Buses	3,332	3,179	95.41%
Rapid Transit System—			
Motor Cars	1,153	1,151	99.83
Trail Cars	43	17	39.53
Total Rapid Transit Cars	1,196	1,168	97.66
TOTAL REVENUE VEHICLES	4,528	4,347(1)	96.00%

(1) Difference authorized to be scrapped, a total of 181, or 4.00%.

Construction Projects

On October 1, 1963, its 16th anniversary, the Authority marked the completion of a new bus overhaul shop at 78th Street and Vincennes Avenue with an open house for the general public. Guided tours through the modern shop enabled guests to see impressive demonstrations of what it takes in man-power, machinery and methods to keep a bus fleet operating at the high efficiency required to meet the demands of daily service averaging in excess of 328,000 miles per weekday.

METROPOLITAN TRANSIT
CHICAGO TRANSIT AUTHORITY

Exterior of Shop Building showing many of the overhead electrically operated doors.

The building covers an area of about 174,800 square feet and is "H" shaped in design, with wings on the east and west sides of the central area. The building is faced with dark-colored brick.

The central section is occupied by storerooms and general shop facilities, including upholstery, woodworking, blacksmith, tin, welding, machine and door shops.

Chassis shops are located in the east wings and body shops in the west wings. These duplicated shop areas are designed for more efficient repair operations and easier supervision of employes. The paint shop is in the south part of the west wing.

The "H" design, which provides maximum wall space, permits a total of 71 large overhead doors for entrance and exit of buses going to and from the shop areas. All doors are power-operated.

Special equipment in the body shops area include a screw-operated hoist, capable of lifting 15 tons, and a drop table for lowering buses below the floor level when repairs are being made on the roofs or upper parts of buses. Also in this area are 25 open pits, each approximately 46 feet long and 4 feet deep.

The chassis shops area has an installation of 28 hydraulic bus hoists along with other standard equipment of the latest design that is used in maintenance and repair procedures.

The paint shop is ultra-modern, being equipped with a traveling paint spray booth and a traveling infra-red dryer to serve three painting locations. Three drop tables lower buses to convenient heights when roofs and eaves are being painted.

Composite view of various sections of the interior of the new Shop building.

At the west end of the northwest wing of the shops building is a new office building for supervisory and office personnel. It is distinguished from the shops building by the light, glazed brick of its exterior walls. These modern quarters incorporate spacious windows for maximum lighting, air conditioning and other features.

The entire complex is protected against fire hazards by a sprinkling system. Illumination is provided by fluorescent lights supplemented by natural light from overhead skylights and sky domes. The ventilating system includes large fans in the walls of the clerestory areas. Hot air heat from the main South Shops boiler house is forced under pressure through a sub-floor duct system to all parts of the building.

Interior walls of the shops building are covered to a height of approximately 10 feet with pastel turquoise glazed tile, achieving a two-fold purpose, a pleasing appearance and easy cleaning.

Employe lunch and locker rooms are located on the first and mezzanine floors in the central core of the shops area, and in the office building. Each working area has its own sanitary accommodations.

The cost of this project ($6,100,000), including almost $900,000 worth of additional shop machinery and tools, representing the final step in consolidation of two former Surface System repair shops, will be amortized within a few years by economies achieved through consolidation.

Another phase of the modernization of the Lake Street rapid transit route was launched September 5 when contracts were awarded for construction of a substation and transportation office building at Harlem and Circle Avenue, Forest Park, terminal of the route, and purchase of equipment for the substation. The two-story building of face brick will be about 85 feet by 53 feet, and is expected to cost $244,000. Substation equipment, including a power rectifier, switchgear equipment, supervisory control and a telemetering device is to be installed at a cost of $360,425.

The new substation is required to relieve overload conditions at the Authority's present Lombard substation and will provide additional capacity required for the establishment of new terminal yards in the near future.

At Howard rapid transit terminal, where modernization of the station and other improvements are underway, a 92′ x 80′ canopy was erected over the bus loading area in the new off-street terminal, and the south parking lot was paved.

At the Linden Avenue, Wilmette, rapid transit terminal, parking lot facilities for the Authority's customers were expanded and improved. A new west lot with a capacity of 242 automobiles was added, and the original lot east of the terminal was expanded to provide 224 parking spaces.

In connection with conversion of Kimball yard trackwork to a new semi-automatic interlocking system and an extension of the platform, the existing special trackwork was re-designed. The layout consisted of two double slip switches, four turnouts and a diamond crossover. This work was done over the Labor Day weekend to minimize inconvenience to patrons of this route. Special trackwork was pre-fabricated into several panels or separate units. Rails, switch points and frogs were positioned and fastened to the ties with tie plates, pads and switch plates. The panels were loaded on flat cars, moved to the site and lowered into position. The new trackwork and interlocking system was completed at a cost of about $375,000. All signals in the terminal are equipped with wayside track trips to instantly apply the emergency brakes on any train passing a stop signal. The modern interlocking system will automatically send trains into either the east or west side of the station platform on whichever track is vacant. Controls dispatch trains out of the terminal on a "first in"—"first out" basis on an impulse from the master control in the Authority's Operations Control Center about nine miles away in the Merchandise Mart main office. Line supervisors in the Center are constantly made aware of movements in and out of the terminal by recording devices.

Construction projects in 1963 had to be limited to such funds as were available after providing for purchases of revenue vehicles. No new improvements of any magnitude could be initiated during 1963 since practically all available capital funds were committed to acquire new equipment and to carry forward projects started in 1962 and prior years.

Capital funds for many necessary and desirable projects are becoming more and more difficult to provide through fare box collections as the need for replacement of over-age revenue vehicles becomes more pressing with each passing year.

Skokie Demonstration Project

Following several months of preliminary studies and negotiations, the Authority, on January 10, 1964, formally applied to the Housing and Home Finance Agency for a Federal grant of $349,217 to assist in financing inauguration and a two-year demonstration operation of nonstop, high-speed rapid transit rail service between Dempster Street, Skokie, Illinois and Howard Street, Chicago, Illinois.

The purposes of this project are:

(a) To determine the effectiveness and economic feasibility of linking a fast-growing, medium-density suburban area with the central city by means of a high-speed rail rapid transit extension coordinated with suburban buses and with the central city's extensive transit network, and;

(b) To develop through surveys and studies criteria and guidelines useful nationally to public officials, planners, transit operators and others in determining whether service of this type should and can be provided in large metropolitan areas.

Co-sponsor of the project is the Village of Skokie. Other participants are the Chicago Area Transportation Study; Department of City Planning, City of Chicago; the recently organized Transportation Coordinating Group consisting of public agencies charged with planning highway and other transportation facilities; the Northeastern Illinois Metropolitan Area Planning Commission; and the Commonwealth Edison Company.

Skokie is to provide, maintain and operate a modern, lighted and paved 386-space park-'n'-ride lot adjacent to the Dempster station for customers using their cars to get to and from the new service. Kiss-'n'-ride lanes and bus terminal facilities are also provided at the Dempster station. The Authority is to provide and rehabilitate the right-of-way and related facilities, the rolling stock, operate the service and participate in comprehensive studies to determine the project benefits. The Chicago Area Transportation Study, which recently conducted the metropolitan area's most comprehensive transportation survey and recommended, among other improvements, rapid transit extension to Skokie, will have a leading role in the project studies.

The Authority will operate one-man, high speed, high performance nonstop trains at 10-minute intervals during rush hours, and at wider intervals in off-peak periods on weekdays only between the hours 6:00 A.M. to 10:00 P.M. The five-mile run will be made in six and a half minutes at a scheduled speed of 46 miles per hour. Maximum speed of the project trains will exceed 60 miles per hour.

Skokie Parking Lot on opening day.

SKOKIE
SKOKIE
SWIFT

One of the high-speed rapid transit cars used in Skokie Swift Service.

The Authority has purchased the right-of-way from the defunct Chicago, North Shore and Milwaukee Railway for a total cost of $2,000,000 and a net cost of $1,700,000 after considering $300,000 paid by Commonwealth Edison Company for permanent easement rights.

Total cost of rehabilitating the right-of-way and related facilities, operating the service, promoting ridership and conducting studies is estimated at $720,575. Revenue from the transit service and parking lot operation is estimated at $196,750, thus resulting in a net project cost of $523,825 which is to be shared between the participants on a percentage basis,—66.67% by Federal Grant ($349,217); 26.23% by the Authority ($137,415), and 7.10% by the Village of Skokie ($37,193).

Rates of fare will be 45 cents for adults and 29 cents for children or students for each one-way trip. This includes the privilege of transfer to and from any of the Authority's rapid transit trains or bus routes at all established transfer points. A parking fee of 25 cents to to be charged at the Dempster station parking lot.

Service commenced on Monday, April 20, 1964, with inaugural ceremonies and free rides for visitors on Saturday, April 18, 1964.

Modernization and Replacement Program

When the Authority was established in 1945, the proposed modernization program provided for purchase of 4,256 new buses and cars to modernize rolling stock of the predecessor companies.

By December 31, 1963, the Authority had taken delivery of 4,987 new revenue vehicles and 180 others were on order for delivery in 1964. This completed the modernization program and provided 911 additional new vehicles which replaced equipment that became over-age during the interim.

Total cost of these 5,167 new revenue vehicles and auxiliary equipment was approximately $146,731,000, of which $85,064,000 covered 4,213 Surface System passenger units and $61,667,000 was for 954 Rapid Transit System cars. The net cash cost was $138,751,000 after considering $7,980,000 salvage value realized on PCC streetcar components used in the construction of 570 new Rapid Transit cars.

Total expenditures and commitments under the modernization and replacement program to date aggregate approximately $195,724,000, $146,731,000 for the revenue vehicles referred to above and $48,993,000 for the construction of new shops and operating garages and modernization of other facilities such as shops, garages, machinery, terminals, and fixed transportation equipment.

Personnel

Total number of employes in service at the close of 1963 was 13,005, an increase of 73 over the 12,932 at December 31, 1962, but a decrease of 10,363 from the 23,368 employes in service at dates of acquisition of properties from predecessor companies.

During 1963, 377 employes retired on pension, 7 employes drawing disability pensions returned to active duty, and 456 retired employes died. At December 31, 1963 there were 5,479 retired employes receiving pension payments.

Several changes were made in executive and supervisory positions during 1963:

The Authority is sorry to report the death of Mr. Joseph N. Jobaris, 54, Superintendent of Shops and Equipment, on May 22, 1963 after a long illness.

Mr. Jobaris rose from the ranks to supervision of all of the Authority's shop and equipment activities, having joined the former Chicago Surface Lines in 1929 as a repairman. His steady advancement through supervisory posts in the shops department was interrupted by service in World War II. As engineer of equipment, Mr. Jobaris had an important part in designing the Authority's modern motor and trolley buses, and rapid transit cars.

Mr. Jobaris was a registered professional engineer, and was a member of the Committee on Rail Cars of the American Transit Association.

Mr. L. Gordon Anderson, formerly Superintendent of Rapid Transit Shops and Terminals, was appointed to the position of Superintendent of shops and Equipment to fill the vacancy created by the death of Mr. Jobaris.

Mr. Lester H. Reichard, formerly Superintendent of Skokie Shops, became Superintendent of Rapid Transit Shops and Terminals, succeeding Mr. Anderson.

Seven long-time supervisory employes with a combined work record of 274 years were lost by the Authority through retirement in 1963. The men, their positions, and the number of years completed by each, are: Joseph Mulree, Superintendent of the Utility and Emergency Service Division, 49 years; John F. Higgins, Superintendent of Rapid Transit Operations, 41 years; John J. Cushing, Supervisor of Property Accounting Department, 41 years; John E. Blare, Assistant to General Manager, 37 years; C. A. Butts, Signal Engineer, 37 years; Earl V. Essington, Assistant to Superintendent of Shops and Equipment, 36 years; and V. B. Olson, Special Project Coordinator, Structure and Building Department, 33 years.

OUTLOOK FOR 1964

Financial—Budget

On December 5, 1963, Chicago Transit Board adopted a budget of $134,187,000 for the year 1964, which indicated that revenues would be sufficient to cover all operating expenses and debt service on revenue bonds, but that there would be a $3,549,500 deficiency in making deposits to meet full depreciation requirements for 1964.

Passenger revenues for 1964 were estimated on the assumption that passenger traffic would be approximately 6/10ths of 1% lower than the 1963 level, and that the average fare in 1964 would be 1/3rd of 1% higher than in 1963, resulting in a net decline of approximately $263,000. All other revenues were estimated to produce about $370,000 more than was realized in 1963, primarily from interest earned on funds on deposit with the Equipment Trustee pending delivery of the 180 rapid transit cars on order. With these minor variations, total revenues in 1964 are expected to be $107,000 greater than in 1963.

Expenses budgeted for 1964 were based on contractual wage rates in effect at the close of 1963. Wage costs are expected to increase $3,276,000 as the result of increases in both the basic hourly wage rate and in the cost-of-living allowance. The basic hourly wage rate increased 9c per hour December 1, 1963 and will increase an additional 7c on December 1, 1964. The labor contract that became effective December 1, 1962 provides for a cost-of-living allowance subject to quarterly adjustments based on the Consumer Price Index for Chicago. The first cost-of-living allowance, amounting to 2½c per hour, became effective in September 1963 and penalized 1963 operations in only the last four months, whereas the budget anticipates that an additional 2½c per hour will be paid during all twelve months in 1964. In this respect it is significant to point out that at the current level of employment each 1c per hour increase in wages adds approximately $25,200 per month to operating expenses.

The foregoing payroll data was based on wage rates and related factors known at the time the 1964 budget was prepared and adopted. Unfortunately, the U. S. Department of Labor, Bureau of Labor statistics, reported on March 3, 1964 that it had made an error in developing the January 1963 Consumer Price Index for Chicago which affected the Authority's cost-of-living allowances throughout 1963 and the first two months of 1964. As a result, labor costs during that period were understated by approximately $280,500. The tremendous task of summarizing individual pay hours of about 14,450 employes for a full year, application of the additional variable cost-of-living allowances, and preparation and issuance of back pay checks was not completed until April 7, 1964, at which time it was too late to revise all of the Authority's financial reports for the year 1963 and the first quarter of 1964. Accordingly, this $280,500 of back pay cost was charged to expenses in 1964, and will increase the anticipated 1964 deficit in depreciation provision to $3,830,000, if actual revenues and expenses equal the amounts budgeted.

Financial—Preliminary Results

Starting in 1964, the Authority adopted a reporting procedure whereby financial data is accumulated and reported by four-week periods rather than calendar months.

During the twelve weeks ended March 21, 1964, passenger traffic of 113,093,037 revenue rides was down 766,700 (0.67%) from the corresponding period in 1963. Total revenues of $30,756,776 decreased $168,469 (0.54%) and operation and maintenance expenses of $27,225,611 were down $155,361 (0.57%). There also were reductions of $22,451, in debt service requirements and $13,477 in the provision for depreciation. As a result, at March 21, 1964 there was a deficiency of $807,848 in the amount available for deposit to the depreciation fund. The corresponding 1963 deficit was $830,668. On an actual basis, results from operation in the above mentioned 1964 period netted $22,820 more than in the comparable 1963 period.

In comparison with the budget for 1964, passenger traffic was 0.60% greater than anticipated. Total revenues were up $122,876; expenses and other costs were down $785,701, and the net result was a deficit of only $807,848 in the amount available for the depreciation reserve fund. The 1964 budget had predicted a deficit of $1,716,425 by March 21, 1964.

During the twelve-week period reviewed budgetwise, above, weather conditions were unusually favorable as evidenced by the increase in riding and a saving of $446,000 in the amount spent for removal of ice and snow from transit routes.

No significant variations from the 1964 budget have developed in either revenues or expenses.

Capital Projects

Cash available for Capital Outlays in 1964, including a carry-over of $6,316,000 of capital funds appropriated but not spent in 1963 and $7,500,000 obtained from the sale of equipment trust certificates, is estimated to be $28,784,000. Of this amount, $22,119,000 is committed for purchase of new revenue vehicles and the balance is committed for other capital projects, some of which are already under way. Many desirable improvements had to be deferred because of lack of funds.

Major capital items budgeted are as follows:

Purchase of 180 rapid transit cars ($18,990,000) plus spare parts, engineering and make ready costs	$19,372,500
Interest and principal on Equipment Trust Certificates	2,746,500
Purchase 600 fare collection boxes (carried forward from 1960)	312,000
Construct Lake Street Branch Terminal and Yard facilities	1,260,000
Construct consolidated shop buildings and other facilities at 78th and Vincennes Avenue	705,000
Major renewals of Rapid Transit System track and structures	1,310,000
Renewals and/or improvements to shops, garages, electric power distribution system, signal and interlocking systems, machinery, tools, equipment, etc.	
Rapid Transit System	1,513,000
Surface System	640,000
Common to both systems	750,000
Purchase of real estate for terminals, parking facilities and/or right-of-way (excess of purchases over sales)	175,000
TOTAL	$28,784,000

CHICAGO TRANSIT BOARD

Mr. Virgil E. Gunlock, 57, Chairman of Chicago Transit Board, an outstanding engineer, public official and civic leader, died March 21, 1963 following a heart attack suffered ten days previously.

Mr. Gunlock had a long and illustrious career in Chicago. Graduating from the University of Illinois, School of Engineering with high scholastic honors in 1927, Mr. Gunlock began his professional career as an engineer with the Chicago Sanitary District. In 1938, he was chosen as engineer in charge of constructing the first section of Chicago's initial system of subways. From that post he advanced to engineer in charge of subway construction, to chief engineer, and then to Commissioner of Subways and Superhighways. For a brief period, until the Department of Subways and Superhighways was consolidated with the Department of Public Works, Mr. Gunlock was commissioner of both departments, after which he became Commissioner of Public Works.

As Chairman of Chicago Transit Board, Mr. Gunlock had directed the Authority through critical early years. Under his leadership and guidance, Chicago Transit Authority has modernized its equipment and service, establishing a record for modernization of Chicago transit equipment unequaled in the history of transit in any city.

Active in numerous civic and professional organizations, Mr. Gunlock was vice-president of the McCormick Theological Seminary, a member of the Chicago Plan Commission, Deputy Director of Chicago Civil Defense, devoted to activities of the Boy Scouts, a director of the Western Society of Engineers, and past president of the Illinois Society of Professional Engineers and past vice-president of the National Society of Professional Engineers. Space does not permit listing all of the civic, religious, philanthropic and social activities to which he gave freely of his talents, experience and energy.

Mr. Gunlock had been a member and Chairman of the Board since July, 1954. Chicago Transit Authority and the community have lost a dedicated, devoted and most capable public servant.

Mr. George L. DeMent, a native Chicagoan and long-time public works executive in Chicago, was appointed a member of Chicago Transit Board to fill the unexpired term of the late Mr. V. E. Gunlock. The appointment was made by the Honorable Richard J. Daley, Mayor of Chicago, and approved by the Honorable Otto Kerner, Governor of Illinois. His appointment was made April 29, 1963 and expires August 31, 1966 but the formalities of the appointment were not concluded until July 1, 1963. Mr. DeMent filed his oath of office with the Secretary of State on July 2, 1963.

On July 3, 1963, Mr. DeMent was unanimously elected Chairman of Chicago Transit Board for a three year term beginning July 2, 1963.

As Commissioner of Public Works, City of Chicago, for nine years, 1954 to 1963, Mr. DeMent directed the most dynamic public works program in the history of Chicago. His career closely parallels that of the late Mr. Gunlock, whom he succeeded as Commissioner of Public Works when Mr. Gunlock became a member and chairman of Chicago Transit Board.

Educated in Chicago's public schools and at the University of Illinois, Mr. DeMent began his engineering career in 1930 with the Sanitary District of Metropolitan Chicago. In 1939, he, along with Mr. Gunlock and other engineers, was drafted by the city to build Chicago's initial system of subways.

Mr. DeMent was first resident engineer on a section of the initial system of subways, and became, after a series of promotions, assistant to Mr. Gunlock who was then Commissioner of Subways and Superhighways.

When the Department of Subways and Superhighways was consolidated with the Department of Public Works in 1952, and Mr. Gunlock became commissioner of the department, Mr. DeMent was appointed assistant commissioner. He succeeded Mr. Gunlock as commissioner when the latter became Chairman of Chicago Transit Board.

Among the many public works projects directed by Mr. DeMent during his tenure as Commissioner of Public Works are the Eisenhower (Congress), Kennedy (Northwest) and Dan Ryan Expressways, the West Side (Congress) subway extension, the central district filtration plant, O'Hare International Airport, numerous bridges and viaducts, public buildings, parking garages and many miles of sewers.

Mr. DeMent is a registered professional engineer and is a member of the National Society of Professional Engineers, the Illinois Society of Professional Engineers, and the American Public Works Association.

In 1961, the American Public Works Association honored him as one of the nation's outstanding public works officials.

On May 7, 1963, Mr. Raymond J. Peacock was re-appointed a member of the Board for a seven year term commencing September 1, 1961, following expiration of his first term. The appointment was made by the Honorable Otto Kerner, Governor of Illinois, and approved by the Honorable Richard J. Daley, Mayor of Chicago. He filed his oath of office with the Secretary of State on May 22, 1963.

Mr. Peacock, president of Peacock Publishing Company, was first appointed to the Board in December 1960 to fill the term of the late Werner W. Schroeder, Vice Chairman of the Board, which expired August 31, 1961. He continued to serve, however, as provided by law, until a successor was appointed.

On May 7, 1963, Mr. James E. Rutherford was appointed a member of Chicago Transit Board to succeed Mr. Edward F. Moore whose term expired August 31, 1962, but who continued to serve, as provided by law, until a successor had been appointed and had qualified. The appointment was made by the Honorable Otto Kerner, Governor of Illinois, and approved by the Honorable Richard J. Daley, Mayor of Chicago. Mr. Rutherford's appointment became effective May 22, 1963 and expires August 31, 1969. He filed his oath of office with the Secretary of State on May 22, 1963.

Mr. Rutherford, a retired vice-president in charge of Mid-America Operations of the Prudential Insurance Company of America is the past president of the Chicago Association of Commerce and Industry and is still a member of the Committee on Transportation of that organization. He has been active in many civic and philanthropic causes.

Mr. Edward F. Moore, who, since 1916, has devoted a lifetime to administrative work in several areas of public service was appointed to the Board on April 29, 1958 to fill the unexpired term of the late Mr. Philip W. Collins. Mr. Moore served with distinction during his term of office, and his experience, advice and conscientious application to affairs of the Authority contributed much to the transit scene in Chicago.

During 1963, the Board held twenty-three meetings for the transaction of official business and, in addition, held many informal conferences and several public hearings.

ACKNOWLEDGMENTS

The Board particularly wishes to express appreciation and thanks to the employes whose courtesy, skill and dedication to public service contributed so much to the achievements of the year, and to the riding public for their valued patronage and support.

We also thank the several public bodies, public officials and others who have assisted the Authority for their continued cooperation and help in the furtherance of improvements to traffic and transportation in the Chicago area.

By Order of the Board

Room 734
Merchandise Mart Plaza
Chicago, Illinois 60654

George DeMent

Chairman

ARTHUR ANDERSEN & CO.

120 South La Salle Street
Chicago, Illinois 60603

Chicago Transit Board,
Chicago Transit Authority:

We have examined the balance sheet of CHICAGO TRANSIT AUTHORITY (an Illinois municipal corporation) as of December 31, 1963, and the related statements of accumulated net earnings, of application of revenue and of funds for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet and statements of accumulated net earnings and of funds present fairly the financial position of Chicago Transit Authority as of December 31, 1963, and the net earnings from operations and the sources and disposition of funds for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year. Also, in our opinion, the accompanying statement of application of revenue presents fairly the distribution of revenue for the year ended December 31, 1963, in accordance with the provisions of the trust agreement securing the revenue bonds.

ARTHUR ANDERSEN & CO.

March 13, 1964.

CHICAGO TRAN

Balance

ASSETS

	December 31 1963	 1962
TRANSPORTATION PROPERTY, at cost	$203,771,502	$193,097,642
Less—Reserve for depreciation	85,736,764	78,756,337
	$118,034,738	$114,341,305
SPECIAL FUNDS, cash and U. S. Government securities:		
Held by revenue bond trustee—		
Depreciation reserve	$ 5,645,928	$ 16,917,019
Operating expense reserve	1,848,259	1,848,259
Modernization	—	180,032
	$ 7,494,187	$ 18,945,310
Held by equipment trustee—		
Series 10 equipment purchase fund	15,000,000	—
Damage reserve	7,968,136	6,044,610
	$ 30,462,323	$ 24,989,920
CURRENT ASSETS:		
Cash and U. S. Government securities—		
Working cash account (see note)	$ 15,864,369	$ 18,159,456
Deposits for payment of interest on—		
Revenue bonds	1,859,879	1,952,636
Equipment trust certificates	33,348	19,290
Deposit for payment of municipal compensation	—	221,268
Accounts receivable, less reserve	1,850,532	2,483,264
Materials and supplies, at average cost	5,976,359	5,711,386
Other	939,042	702,483
	$ 26,523,529	$ 29,249,783
	$175,020,590	$168,581,008

SIT AUTHORITY

Sheet

LIABILITIES

	December 31 1963	 1962
LONG-TERM DEBT (including $6,866,361 due within one year), see accompanying statements:		
Revenue bonds	$ 94,530,000	$ 99,432,000
Less—Amounts held by trustee	9,301,863	9,846,695
	$ 85,228,137	$ 89,585,305
Equipment trust certificates, after deducting funds of $197,505 and $131,673 respectively, held by trustee for payment of principal	11,042,495	5,573,327
	$ 96,270,632	$ 95,158,632
ACCUMULATED NET EARNINGS (fully appropriated)	$ 47,119,804	$ 42,489,495
CURRENT LIABILITIES:		
Accounts payable	$ 7,916,931	$ 8,288,982
Accrued wages and vacation pay	7,815,463	8,370,924
Accrued interest	1,893,226	1,971,926
Other	277,517	497,559
	$ 17,903,137	$ 19,129,391
DAMAGE RESERVE	$ 13,727,017	$ 11,803,490
	$175,020,590	$168,581,008

The accompanying notes are an integral part of this balance sheet.

Statement of Accumulated Net Earnings

APPROPRIATED IN ACCORDANCE WITH THE TRUST AGREEMENT SECURING THE REVENUE BONDS FOR THE YEAR ENDED DECEMBER 31, 1963

BALANCE DECEMBER 31, 1962	$42,489,495
Items deducted from operating revenue in accordance with the revenue bond trust agreement, but not deductible from net earnings—	
Serial bond maturity fund	$ 2,000,000
Sinking funds	2,327,328
Revenue bond amortization funds	19,483
Interest earned on certain funds, not included in transit revenue under the trust agreement—	
Sinking funds	5,278
Revenue bond reserves	53,929
Modernization fund	821
Depreciation reserve	623,688
Interest expense on equipment trust certificates	351,366*
Net earnings for the year ended December 31, 1963	$ 4,679,161
Premium on retirement of revenue bonds	48,852*
	$ 4,630,309
BALANCE DECEMBER 31, 1963	$47,119,804

* Denotes red figure.

The accompanying notes are an integral part of this statement.

CHICAGO
TRANSIT
AUTHORITY

Statements of Application of Revenue

FOR THE YEARS ENDED DECEMBER 31, 1963 AND 1962

	1963	1962
OPERATING REVENUE:		
Passenger transportation	$132,293,767	$136,021,850
Other	1,786,451	1,819,099
	$134,080,218	$137,840,949
OPERATING EXPENSES:		
Transportation operations	$ 64,182,905	$ 62,818,384
Maintenance and servicing	26,887,868	27,290,589
Administrative and general	6,041,797	6,135,238
Provision for injuries and damages	9,634,954	10,193,469
Electric power for revenue equipment	5,344,798	5,379,593
Fuel for revenue equipment	2,267,523	2,370,746
Rental under long-term leases	851,312	972,202
	$115,211,157	$115,160,221
REVENUE AVAILABLE FOR DEBT SERVICE	$ 18,869,061	$ 22,680,728
DEBT SERVICE REQUIREMENTS:		
Interest	$ 3,795,833	$ 3,998,963
Serial bond maturity fund	2,000,000	2,000,000
Sinking funds	2,327,328	2,243,253
	$ 8,123,161	$ 8,242,216
REVENUE AVAILABLE FOR OTHER REQUIREMENTS	$ 10,745,900	$ 14,438,512
OTHER REQUIREMENTS:		
Depreciation—		
Prior period deficiency	$ —	$ 843,082
Current period	10,726,417	11,027,276
Revenue bond amortization	19,483	1,266,854
Operating expense reserve	—	900,000
Municipal compensation	—	401,300
	$ 10,745,900	$ 14,438,512

The accompanying notes are an integral part of these statements.

Statement

FOR THE YEAR ENDED

FUNDS	Balance Dec. 31, 1962 Before Transfers	ADD		DEDUCT
		COLLECTED		
		Revenue and Other Receipts	Interest Income	Disbursements
HELD BY REVENUE BOND TRUSTEE:				
Transit Revenue	$11,151,469	$136,013,233	$ —	$ —
Interest	1,952,636	—	32,095	3,888,590
Serial Bond Maturity	1,000,000	—	31,213	2,000,000
Sinking Funds	466,362	—	5,278	2,950,851
Reserve Funds	8,063,620	—	274,447	—
Depreciation Reserve	24,698,322	—	623,688	14,209,321
Revenue Bond Amortization	—	—	—	—
Operating Expense Reserve	948,259	—	32,999	—
Modernization	295,783	—	821	476,635
Municipal Compensation	—	—	—	221,268
HELD BY EQUIPMENT TRUSTEE:				
For payment of interest	19,290	—	2,901	338,680
For payment of principal—				
Series 7	60,000	—	6,360	730,000
Series 8	21,667	—	2,253	260,000
Series 9	50,006	—	5,224	600,000
Series 10	—	—	3,408	375,000
Series 10 Equipment Purchase Fund	—	7,500,000	22,030	—
OTHER FUNDS:				
Working Cash Account	1,237,336	—	4,211	108,563,939
Damage Reserve	4,436,829	—	107,106	7,682,723
Excess Damage Reserve	919,359	—	28,089	—
TOTAL	$55,320,938	$143,513,233	$1,182,123	$142,297,007

( ) Denotes red figure.

of Funds

DECEMBER 31, 1963

	Balance, December 31, 1963, Before Reflection of Transfers Yet to be Made Between Funds				Balance, December 31, 1963, After Transfers Between Funds		
	HELD AS				CLASSIFIED AS		
Net Transfers Between Funds Made in 1963	Cash	U.S. Government Securities	Total	Net Transfers Between Funds to be Made After Dec. 31, 1963	Special Funds	Current Assets	Reduction of Long-Term Debt
$(138,389,889)	$ 8,774,813	$ —	$ 8,774,813	$(8,774,813)	$ —	$ —	$ —
3,763,738	1,859,879	—	1,859,879	—	—	1,859,879	—
1,968,787	1,844	998,156	1,000,000	—	—	—	1,000,000
2,751,491	272,280	—	272,280	—	—	—	272,280
(327,967)	20,792	7,989,308	8,010,100	—	—	—	8,010,100
838,187	477,292	11,473,584	11,950,876	(6,304,948)	5,645,928	—	—
—	—	—	—	19,483	—	—	19,483
867,001	367	1,847,892	1,848,259	—	1,848,259	—	—
293,118	868	112,219	113,087	(113,087)	—	—	—
221,268	—	—	—	—	—	—	—
349,837	4,864	28,484	33,348	—	—	33,348	—
726,140	1,607	60,893	62,500	—	—	—	62,500
258,580	893	21,607	22,500	—	—	—	22,500
594,775	1,880	48,125	50,005	—	—	—	50,005
434,092	1,607	60,893	62,500	—	—	—	62,500
7,477,970	799	14,999,201	15,000,000	—	15,000,000	—	—
108,594,244	1,096,862	174,990	1,271,852	14,592,517	—	15,864,369	—
9,526,076	854,263	5,533,025	6,387,288	580,848	6,968,136	—	—
52,552	1,101	998,899	1,000,000	—	1,000,000	—	—
$ —	$13,372,011	$44,347,276	$57,719,287	$ —	$30,462,323	$17,757,596	$9,499,368

The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS
AS OF DECEMBER 31, 1963

(1) Revenue of each year after deducting operation and maintenance expenses is to be deposited in the following funds, in the order shown, to the extent that moneys are available therefor:

A. Revenue bond interest fund, serial bond maturity fund, sinking funds and reserve funds—deposits equal to debt service requirements as provided in the revenue bond trust agreement.

B. Depreciation reserve fund—deposits equal to annual depreciation provision and deficiencies, if any, in prior years' deposits.

C. Revenue bond amortization fund—deposits, cumulative within the year, equal to $300,000 quarterly for the series of 1947 and 1952 revenue bonds and $16,714 quarterly for the series of 1953 revenue bonds.

D. Operating expense reserve fund—deposits to be $900,000 each year, until the balance in the fund is equal to at least $4,000,000.

E. Municipal compensation fund—deposit to be computed in accordance with the franchise ordinance.

F. Modernization fund—deposits to be equal to the moneys remaining after making required deposits to the above funds.

(2) Under its pension agreement, which is renegotiated every three years, the Authority has agreed to contribute a fixed percentage of payroll to a contributory pension plan for present and retired employees. Under such agreement, the Authority is not legally obligated to fund the actuarial cost of future benefits to present and retired employees. At December 31, 1963, such unfunded amount was approximately $113,000,000 including amounts based on employee services rendered to predecessor companies.

(3) The Authority leases operating property under long-term contracts having an aggregate rental of approximately $13,800,000 over the remaining lives of such contracts.

(4) Construction commitments as of December 31, 1963, are approximately $21,000,000. Included in this amount is a commitment for the purchase of 180 elevated-subway cars for $18,990,000. This cost will be paid from deposits held by the equipment trustee of $15,000,000 and the balance from the depreciation fund.

(5) As a result of an error by the United States Government in the Chicago Consumer Price Index for all months of 1963, which error was found and corrected by the government in March, 1964, Chicago Transit Authority must pay a retroactive cost-of-living allowance for the last ten months of 1963 of approximately $190,000. This adjustment has not been reflected in 1963 net earnings nor in the Statement of Application of Revenues as the trust agreement, which governs the flow of cash, does not provide for retroactive adjustments.

(6) In conjunction with the purchase during 1963 of a portion of the Chicago, North Shore and Milwaukee Railway right-of-way for $2,000,000, the temporary withdrawal of $1,500,000 from the working cash account was authorized by Chicago Transit Board of Chicago Transit Authority. It was also determined by Chicago Transit Board that this amount will be reimbursed from the depreciation reserve fund over a period not to exceed 5 years at a rate of not less than $300,000 per year subject to specific authorization by Chicago Transit Board in each year.

Statement of Revenue Bonds

DECEMBER 31, 1963

		Series of 1947			
	Total	Interest Rate	Amount	4½% Series of 1952	4½% Series of 1953
REVENUE BONDS, by year of maturity:					
1964	$ 2,000,000	3½%	$ 2,000,000	$ —	$ —
1965	2,000,000	3½%	2,000,000	—	—
1966-1972	13,000,000	3⅝%	13,000,000	—	—
1978	50,695,000	3¾%	50,695,000	—	—
1982	26,835,000	—	—	20,494,000	6,341,000
Total issued and outstanding	$94,530,000		$67,695,000	$20,494,000	$ 6,341,000
LESS—Funds held by revenue bond trustee:					
Series of 1947 serial bond maturity fund	$ 1,000,000		$ 1,000,000	$ —	$ —
Sinking funds	272,280		675	208,003	63,602
Revenue bond amortization funds	19,483		14,166	4,289	1,028
Revenue bond reserve funds (note)	8,010,100		6,400,000	1,229,640	380,460
	$ 9,301,863		$ 7,414,841	$ 1,441,932	$ 445,090
REVENUE BONDS, per balance sheet	$85,228,137		$60,280,159	$19,052,068	$ 5,895,910
1964 DEPOSIT REQUIREMENTS (exclusive of interest):					
For serial bond maturity	$ 2,000,000		$ 2,000,000	$ —	$ —
For sinking funds	2,488,861		1,941,035	420,000	127,826
	$ 4,488,861		$ 3,941,035	$ 420,000	$ 127,826

NOTE: Revenue bond reserve requirements were met in prior years. Amounts deposited in these funds can be used only for (1) payment of principal or interest on revenue bonds whenever on any principal or interest payment date there would be insufficient moneys held by the trustee in applicable principal, interest, and other funds or (2) retirement of remaining bonds outstanding when reserve funds equal amount of applicable series bonds outstanding.

Statement of Equipment Trust Certificates

DECEMBER 31, 1963

		Series 7		Series 8	Series 9		Series 10
	Total	3½%	4⅛%	4⅛%	4½%	4⅜%	(Note 3)
Equipment Trust Certificates, by year of maturity:							
1964	$ 2,375,000	$ 495,000	$260,000	$270,000	$350,000	$250,000	$ 750,000
1965	2,405,000	505,000	270,000	280,000	350,000	250,000	750,000
1966	1,585,000	255,000	140,000	140,000	175,000	125,000	750,000
1967-1973	4,875,000	—	—	—	—	—	4,875,000
Total issued and outstanding	$11,240,000	$1,255,000	$670,000	$690,000	$875,000	$625,000	$7,125,000
Less—Funds held by trustee for payment of principal	197,505	40,833	21,667	22,500	29,172	20,833	62,500
Equipment Trust Certificates, per balance sheet	$11,042,495	$1,214,167	$648,333	$667,500	$845,828	$604,167	$7,062,500
Deposits Required in 1964 for Payment of Principal	$ 2,377,500	$ 495,834	$260,833	$270,833	$350,000	$250,000	$ 750,000

Notes:

(1) Collateral for Series 7, 8 and 9 equipment trust certificates consist of the following:

	Series 7	Series 8	Series 9
Units—			
Propane buses	150	—	175
Elevated-subway cars	147	68	98
	297	68	273
Cost—			
Propane buses	$ 2,992,361	$ —	$ 3,882,850
Elevated-subway cars	8,089,662	3,992,226	6,512,270
	$11,082,023	$3,992,226	$10,395,120

The proceeds from Series 10 are to be used for the purchase of 180 elevated-subway cars, which will be used for collateral when received. At December 31, 1963, the equipment trustee held $15,000,000 for the purchase of this equipment.

(2) Payments of principal and interest on equipment trust certificates are to be made from the depreciation reserve fund to which deposits are to be made after requirements have been fulfilled for principal and interest on the revenue bonds.

(3) Interest applicable to Series 10 equipment trust certificates varies by date of maturity from 2.90% to 3.62%.

CHICAGO
TRANSIT
AUTHORITY

Statement of Transportation Property and Organization Expense

Showing Balance at December 31, 1962, Plus Additions and Less Retirements During the Year 1963 and Balance at December 31, 1963

	Balance Dec. 31, 1962	Gross Additions	Retirements	Balance Dec. 31, 1963
Land	$ 13,764,087	$ 481,723	$ 32,423	$ 14,213,387
Track and Paving	9,393,796	1,641,988	43,975	10,991,809
Machinery and Tools	4,479,607	317,784	22,383	4,775,008
Electric Line Equipment	9,921,596	494,382	342,404	10,073,574
Buildings	29,179,484	1,629,621	91,465	30,717,640
Cars	44,450,173	28,429	110,030	44,368,572
Buses and Fare Boxes, etc.	60,894,500	8,060,839	2,780,499	66,174,840
Work Cars, Autos and Service Equipment	1,857,389	94,127	6,438	1,945,078
Furniture	1,418,794	53,200	24,978	1,447,016
Signals and Interlocking	1,447,284	251,247	11,223	1,687,308
Crossings, Fences and Signs	1,068,057	49,832	755	1,117,134
Elevated Structures	7,517,362	145,681	7,304	7,655,739
Substation Equipment	2,259,116	437,933	3,113	2,693,936
Telephone and Communications	810,159	108,593	8,264	910,488
Engineering	46,623	—	—	46,623
General and Miscellaneous	4,504,299	420,000	56,265	4,868,034
TOTAL TRANSPORTATION PROPERTY	$193,012,326	$14,215,379	$3,541,519	$203,686,186
Organization Expense	85,316	—	—	85,316
TOTAL	$193,097,642	$14,215,379	$3,541,519	$203,771,502

CHICAGO
TRANSIT
AUTHORITY

Condensed Statement of Applicatio
and Miscellaneou

Ten-Year Statistics	1963	1962	1961	1960
FINANCIAL				
Passenger Revenues	$131,806,188	$135,579,200	$128,395,020	$129,881,311
Other Revenues	2,274,030	2,261,749	2,215,726	2,211,604
TOTAL REVENUES	134,080,218	137,840,949	130,610,746	132,092,915
Total Payroll (including employee benefits)	88,499,749	86,443,055	84,068,952	84,212,211
Provision for Injuries and Damages	9,634,954	10,193,469	9,795,806	9,852,889
Other Operating and Maintenance Expenses	17,076,454	18,523,697	18,753,262	19,485,113
TOTAL OPERATION AND MAINTENANCE EXPENSES	115,211,157	115,160,221	112,618,020	113,550,213
Debt Service Requirements	8,123,161	8,242,216	8,133,394	8,228,823
Provision for Depreciation— Current Period	10,726,417	11,027,276	10,448,860	10,567,433
Credit from Operating Expense Reserve (Note 1)	—	—	—	—
	134,060,735	134,429,713	131,200,274	132,346,469
Balance Available for Other Charges or (Deficit in Depreciation Provision)	19,483	3,411,236	(589,528)	(253,554)
Carry-Over of Prior Year's Deficiency	—	(843,082)	(253,554)	—
Balance Available for Other Charges or (Deficit in Depreciation Provision)	$ 19,483	$ 2,568,154	$(843,082)	$(253,554)
Other Charges:				
Revenue Bond Amortization Fund	$ 19,483	$ 1,266,854		
Operating Expense Reserve Fund	—	900,000		
Municipal Compensation Fund	—	401,300		
Total Other Charges	$ 19,483	$ 2,568,154		
STATISTICS				
Originating Revenue Passengers—				
Surface System	381,166,527	390,842,961	395,405,445	421,832,145
Rapid Transit System	111,065,005	114,068,016	110,126,318	112,924,491
Combined System	492,231,532	504,910,977	505,531,763	534,756,636
Revenue Car and Bus Miles—				
Surface System	105,831,951	106,189,616	107,536,463	109,545,835
Rapid Transit System	43,817,441	43,910,748	44,193,072	44,633,251
Combined System	149,649,392	150,100,364	151,729,535	154,179,086
Passengers Carried per Mile Operated—				
Surface System	3.60	3.68	3.67	3.85
Rapid Transit System	2.53	2.60	2.49	2.53
Combined System	3.29	3.36	3.33	3.47
Population of Chicago	3,536,000	3,534,000	3,540,000	3,550,404
Rides per Capita	139	143	143	151
Number of Active Employees at December 31st	13,005	12,932	13,201	13,606

( ) Denotes red figures.

Note 1: Transfer from Operating Expense Reserve Fund to meet

of Revenues to Fixed Requirements

Operating Statistics

1959	1958	1957	1956	1955	1954
$127,541,638	$123,879,707	$122,162,709	$117,955,336	$118,648,133	$118,755,811
2,339,237	2,239,022	2,310,226	2,238,218	2,249,052	2,383,704
129,880,875	126,118,729	124,472,935	120,193,554	120,897,185	121,139,515
81,584,278	79,007,588	77,415,640	75,221,185	73,504,452	74,857,341
9,416,363	9,143,608	8,901,923	8,113,065	8,660,560	7,502,934
20,144,348	20,453,010	20,443,838	19,377,057	20,323,179	21,051,262
111,144,989	108,604,206	106,761,401	102,711,307	102,488,191	103,411,537
7,789,956	7,844,966	8,024,366	8,090,374	7,906,632	7,500,612
10,390,470	10,089,498	9,957,835	9,615,484	9,671,775	9,691,161
(309,578)	—	(313,588)	—	—	—
129,015,837	126,538,670	124,430,014	120,417,165	120,066,598	120,603,310
865,038	(419,941)	42,921	(223,611)	830,587	536,205
(600,631)	(180,690)	(223,611)	—	—	—
$ 264,407	$ (600,631)	$ (180,690)	$ (223,611)	$ 830,587	$ 536,205
$ 264,407				$ 830,587	$ 536,205
—				—	—
—				—	—
$ 264,407				$ 830,587	$ 536,205
432,684,329	426,226,629	469,785,257	505,623,461	510,603,672	529,934,199
113,330,994	107,067,414	112,280,610	115,659,105	112,889,976	111,232,302
546,015,323	533,294,043	582,065,867	621,282,566	623,493,648	641,166,501
109,920,263	113,616,557	117,843,204	118,243,862	119,402,217	120,937,456
44,325,456	42,991,829	44,487,108	44,317,276	43,667,246	43,285,362
154,245,719	156,608,386	162,330,312	162,561,138	163,069,463	164,222,818
3.94	3.75	3.99	4.28	4.28	4.38
2.56	2.49	2.52	2.61	2.59	2.57
3.54	3.41	3.59	3.82	3.82	3.90
3,557,460	3,564,516	3,571,572	3,578,628	3,585,684	3,592,740
153	150	163	174	174	178
13,590	13,945	14,323	14,500	15,086	16,053

deficit in January 1959 and January 1957 Debt Service Requirements.

Revenue Equipment Owned

December 31, 1963

	On Hand Dec. 31, 1962	January 1, 1963 to December 31, 1963		On Hand Dec. 31, 1963
		Acquired	Retired	
SURFACE SYSTEM:				
Buses—				
Trolley Buses	552	—	23	529
Gas—Mechanical	—	—	—	—
Gas—Hydraulic	172	—	110	62
Diesel—Hydraulic	958	133	44	1,047
Propane—Hydraulic	1,548	150	4	1,694
TOTAL SURFACE EQUIPMENT	3,230	283	181	3,332
RAPID TRANSIT SYSTEM:				
Elevated—Subway Cars				
Steel, conventional type	433	—	11	422
Metal, articulated	4	—	—	4
Metal, P.C.C.	770	—	—	770
TOTAL RAPID TRANSIT CARS	1,207	—	11	1,196
TOTAL REVENUE EQUIPMENT OWNED	4,437	283	192	4,528

Mileage Owned, Leased and Operated

December 31, 1963

	Surface System	Rapid Transit System	Combined
Track Owned or Leased:			
Owned	60.43	164.50	224.93
Leased (Subways, Congress Expressway and Lake Street Track Elevation)	—	37.23	37.23
Total Track Owned or Leased	60.43	201.73	262.16
Revenue and Non-Revenue Track or Route Mileage:			
Revenue Miles in Operation—			
Revenue Tracks	—	160.55	160.55
Trolley Bus Lines (Single Way Miles)	246.04	—	246.04
Motor Bus Lines (Single Way Miles)	1,679.33	—	1,679.33
Total Revenue Miles	1,925.37	160.55	2,085.92
Non-Revenue Miles—			
Unused Track	58.57(1)	—	58.57
Service Track	1.86(2)	41.18(3)	43.04
Connecting Trolley Bus Lines and Trolley Bus Storage	17.79	—	17.79
Total Non-Revenue Miles	78.22	41.18	119.40
TOTAL	2,003.59	201.73	2,205.32

NOTES:—

(1) This mileage covers Tracks located in public ways and streets which are isolated, Tracks from which electric service has been disconnected and Tracks not used.

(2) This mileage covers Tracks located in 78th & Vincennes Yard, and railroad track connection into South Shops plant.

(3) Includes 14.63 miles of Main Line Storage Track, and 2.57 miles of freight Gauntlet Track, Evanston Branch. Balance consists of Track in yards and carhouses.

Operating Statistics

For Year Ended December 31, 1963

	Surface System	Rapid Transit System	Combined System
PASSENGER TRAFFIC:			
Revenue Passengers	381,166,527	111,065,005	492,231,532
Revenue Vehicle Miles:			
Cars	—	43,817,441	43,817,441
Trolley Coaches	16,889,908	—	16,889,908
Motor Buses	88,942,043	—	88,942,043
TOTAL REVENUE VEHICLE MILES	105,831,951	43,817,441	149,649,392
Revenue per Vehicle Mile	97.50c	70.50c	89.60c
Revenue Vehicle Hours:			
Cars	—	—(1)	—
Trolley Coaches	1,761,517	—	1,761,517
Motor Buses	8,698,552	—	8,698,552
TOTAL REVENUE VEHICLE HOURS	10,460,069	—	10,460,069
POWER STATISTICS:			
Direct Current Kilowatt Hours	66,322,261	199,594,358	265,916,619
Average Cost per Kilowatt Hour	—	—	2.01¢
MOTOR BUS FUEL STATISTICS:			
Gasoline—Gallons	313,000		
Average Miles per Gallon	3.08		
Diesel Fuel—Gallons	7,407,000		
Average Miles per Gallon	4.11		
Propane Fuel—Gallons	26,637,000		
Average Miles per Gallon	2.16		

(1) Not Available

ROUTE AND TERMINAL CHANGES

Route and Number	Effective Date	Description of Change
93rd-95th (95)	1-20-63	Terminal operation extended to operate via Western Avenue, 98th Street, through Evergreen Park Plaza to Campbell-95th.
115th Street (111)	1-28-63	Extended line to operate west from Halsted on 115th and northeast on Vincennes Avenue with a loop terminal via 111th, Ashland and Chelsea Place.
Douglas (136)	2-11-63	After 7:00 P.M., buses rerouted to operate via Douglas Blvd. and Independence Blvd. between Douglas-Central Park and Hamlin-Harrison instead of the daytime routing via Central Park and the service drives of Eisenhower Expressway.
State Limited (36A)	2-11-63	A limited-stop, partial Expressway operation was started on the State Street line. This service operates northbound in the A.M. rush and southbound in the P.M. rush on weekdays only. Alternate trips are scheduled in the limited-stop service. These trips serve all stops south of 95th-State and north of State-Cermak. Between State-95th and State-Marquette these buses use the Dan Ryan (South) Expressway exiting and re-entering at 87th Street and at 79th Street for passenger stops. From Marquette Road to Cermak Road these buses operate a limited-stop service in State Street.
Jeffery Express (5A)	3-25-63	Expanded service to provide one earlier trip starting from the south terminal at 6:00 A.M.
Wilson-LaSalle (156)	3-25-63	Expanded period to 9:11 A.M. when certain weekday Wilson-LaSalle trips are routed via Montrose-Marine Drive between Clarendon-Montrose and Irving Park-Lake Shore Drive.
South Cicero (54B)	3-30-63	Discontinued the last Saturday trip leaving Archer-Cicero at 2:23 A.M. and making a round trip to 79th Street.
74th-75th (75)	4- 1-63	Rerouted line to operate a counter-clockwise loop via 74th, Damen, 76th and Ashland replacing the former operation both ways on 74th, west to Damen and turning at the off-street terminal on the west side of Damen north of 74th.
Blue Island (60)	4-22-63	Rerouted line to operate via Racine Avenue and Harrison Street in both directions between Blue Island-14th Street and Harrison-Halsted-Blue Island instead of via Blue Island Avenue. This rerouting was required because of vacating streets for construction of the Chicago campus of the University of Illinois.
43rd-Root (43)	4-22-63	Rerouted line to operate by making a counter-clockwise "U" turn in Exchange Avenue at Packers Avenue instead of the off-street turnaround in Swift & Company parking lot.
74th-75th (75)	5-18-63	Line was restored to its former west terminal routing west of Ashland Avenue via 74th Street in both directions and looping clockwise in the off-street terminal west of Damen and north of 74th Street.
Riverdale (34), East 111th (111), 115th (115), Vincennes-119th (119)	6-16-63	A rerouting, through routing and discontinuance was made affecting these routes in the Roseland area. The changed routings provided for the following:

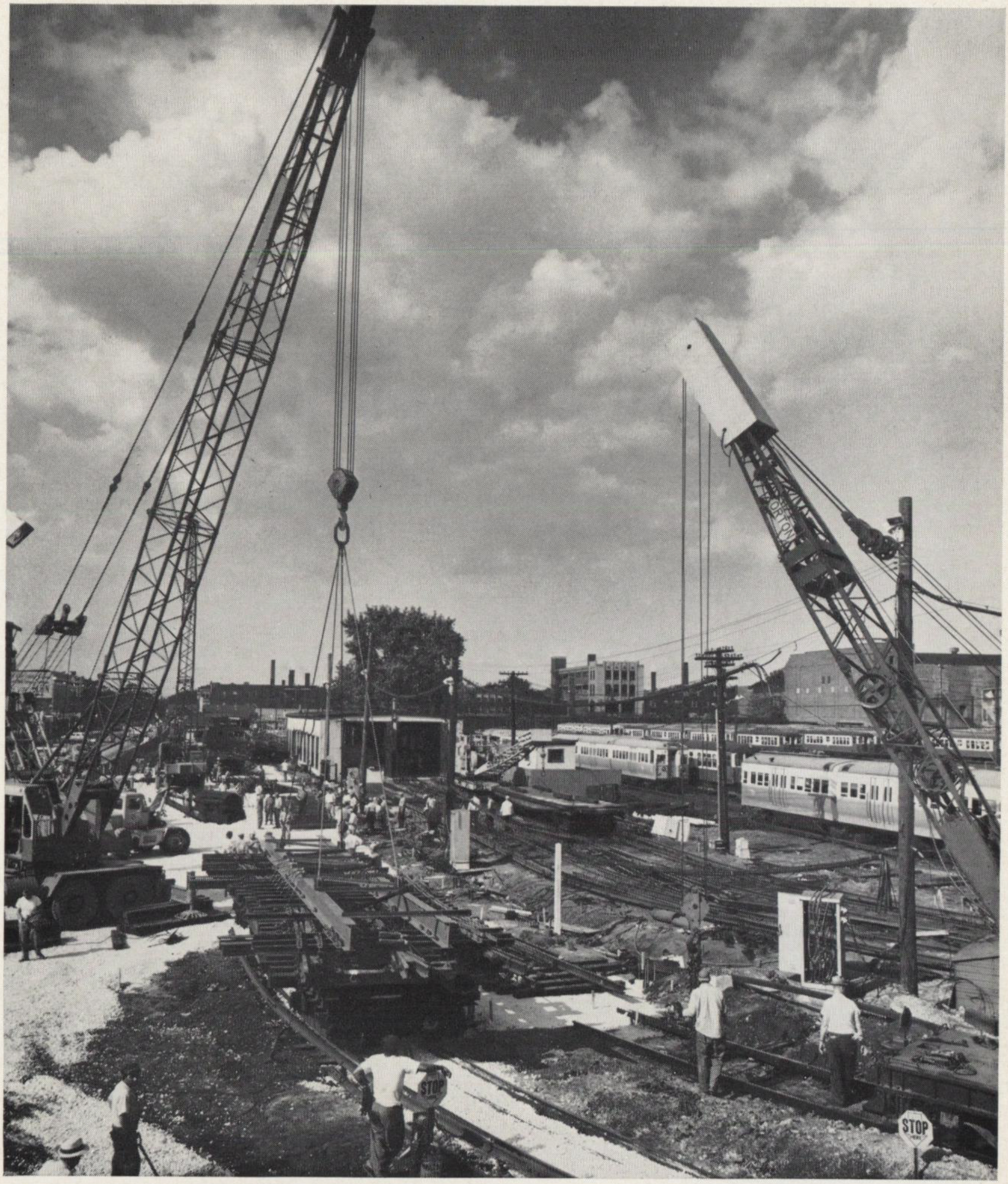
Route and Number	Effective Date	Description of Change
Riverdale, et al (Continued)		1. A through route Riverdale-111th line operating seven days a week between 111th-Vincennes and Leyden-138th via 111th, Michigan, 127th, Indiana, 130th, Indiana, Leyden and returning via 138th and over the southbound route. 2. A supplemental service operating early mornings, late at night and on Sundays between 111th-Vincennes and 115th-St. Lawrence via 111th, Cottage Grove, 115th and returning via St. Lawrence and 111th. 3. Supplemental service on 111th and operation on 115th street operating weekdays and Saturdays on a clockwise loop from 111th-Vincennes via 111th, Cottage Grove, 115th and Vincennes, and on a counter-clockwise loop from 111th-Vincennes via Vincennes, 115th, St. Lawrence and 111th Street. 4. Service to operate to the Libby, McNeill, Libby plant on 119th Street at Ashland supplied only on weekdays. Four trips of the counter-clockwise 111th-115th routing from 111th-Vincennes detoured to operate via Vincennes, 119th, Ashland and 115th. All trips reversing direction at Vincennes-111th on both the new and former operations loop via 111th, Ashland, Chelsea Place and Vincennes Avenue. The revised routings and combining of lines resulted in a reduction by approximately one-half in the amount of service on 111th Street east of Michigan Avenue and for all practical purposes discontinuance of the entire Vincennes-119th line.
East Belmont (77B)	6-16-63	Extended line to operate in the east terminal area via Belmont, Lake Shore Drive, Oakdale Avenue and Sheridan Road.
Drexel-Hyde Park (1)	6-17-63	Rerouted line to operate weekdays and Saturdays via South Park, Silverton Way and Cermak Road between South Park-33rd and Cermak-Indiana northbound and between Cermak-Michigan and 33rd-South Park southbound.
South Halsted (42B)	6-21-63	Discontinued operation of weekday rush hour trips eastward from the regular terminal at 127th-Lowe Avenue to a "U"-turn terminal on Wentworth near 127th. This extension service was restored September 4, 1963 with the reopening of schools.
Montrose-Lawrence (81A)	6-23-63	Extended line to operate via Simonds Drive between Montrose and Lawrence Avenues on days when weather conditions require. This routing is in place of Clarendon to better serve Montrose Beach. This temporary extension prevailed until September 14, 1963, the closing day for beaches.
South Pulaski (53A)	7-21-63	Extended line to an off-street terminal on the east side of Pulaski at 81st Street. The former terminal had been an off-street terminal at the northeast corner of Pulaski-75th. This extension applied to all trips on Saturdays and Sundays and to early morning, midday and late evening trips on weekdays. During weekday rush hours and early evening hours, service had been and continues to be operated to the terminal loop via Pulaski Road, Columbus Highway and 86th Street.
26th-31st (31)	8- 8-63	Buses were rerouted northbound between 26th-South Park and 25th-Calumet to operate via South Park and 25th instead of via Cottage Grove and 25th. This change was necessary on account of permanent closing of Cottage Grove Avenue in this area.

Route and Number	Effective Date	Description of Change
South Chicago-Ewing Express (30)	9- 8-63	Discontinued the express operation which had supplemented a local service, weekdays only, north of 92nd-Commercial, northbound in the A.M. rush and southbound in the P.M. rush making only eight stops between 89th and 63rd Streets, and inaugurated an all-express service north of 92nd-Exchange with elimination of 16 stops in each direction, which local buses had served. The stops on the new, all-express service are at 91st-South Chicago, Saginaw, Kingston, 87th, 86th, 85th, Jeffery-83rd, Bennett, East End, Stony Island-79th, 75th, 73rd, 71st, 69th, Keefe, 67th, 65th, and 63rd.
South Deering (27), Windsor Park (24), 83rd (83), 87th (87), 93rd-95th (95)	9- 8-63	Rerouting, through routings and discontinuances were made affecting these routes in the South Chicago area. The changed routings provided for the following: 1. South Deering line, north of Commercial-92nd, all days of the week, in the northbound direction to operate via Commercial, Exchange, 79th, Cheltenham Place, 75th, Exchange, 73rd, Jeffery Avenue, Jeffery Drive, Patterson Drive, Cornell Drive, Hayes Drive to 63rd-Stony Island and in the southbound direction via Stony Island, Marquette Road, Patterson Drive, Jeffery Drive, Jeffery Avenue, 73rd, Exchange, 79th, Exchange and Commercial Avenue. 2. 83rd-95th line operating east and north of 92nd-Commercial via 92nd, Buffalo, 87th, Burley, 83rd and looping at 83rd-South Chicago via Clyde, South Chicago and 83rd. This routing prevails except during owl periods and on Sundays, when the routing will continue as above to 83rd-Brandon and then via Brandon, 79th looping via Cheltenham, Coles, and 79th. 3. The 87th line operating in the east section of the route over a sweeping loop via 87th, Buffalo, 91st, Commercial and 87th. The results of the foregoing changes were: To provide owl service on Jeffery Avenue between 73rd and via Jeffery Avenue and Jackson Park Drives to 63rd-Stony Island Avenue; to discontinue service on 83rd from Burley to Green Bay, on Mackinaw from 83rd to 85th, on 85th from Mackinaw to Green Bay, and on Green Bay from 85th to 83rd; to discontinue service southbound on Coles between 75th and 79th; to provide service southbound on Exchange between 75th and 79th; to discontinue service on Brandon from 83rd to 79th except during owl periods and Sundays; to discontinue service on 89th Street eastbound between Buffalo and Mackinaw and westbound between Avenue "O" and Buffalo; to discontinue service eastbound on 90th Street between Buffalo and Avenue "O" and on Avenue "O" between 90th and 89th; to provide service on Commercial north of 92nd to 83rd and on Exchange from 83rd to 79th at all times; to provide service on 91st between Buffalo and Commercial Avenues westbound except during owl periods.
South Chicago-Ewing (30)	9- 8-63	Rerouted line to operate in the northbound direction between 92nd-Mackinaw and South Chicago-91st, via Mackinaw, 91st and South Chicago Avenue instead of via 92nd Street.
South Chicago-Ewing (30)	9- 8-63	Discontinued owl service between South Chicago-71st and 92nd-Commercial.
Kedzie-Homan (82A)	9- 8-63	Discontinued a 6:30 A.M. and a 10:30 P.M. trip operating from Kedzie-Foster to Howard-McCormick on Sundays.

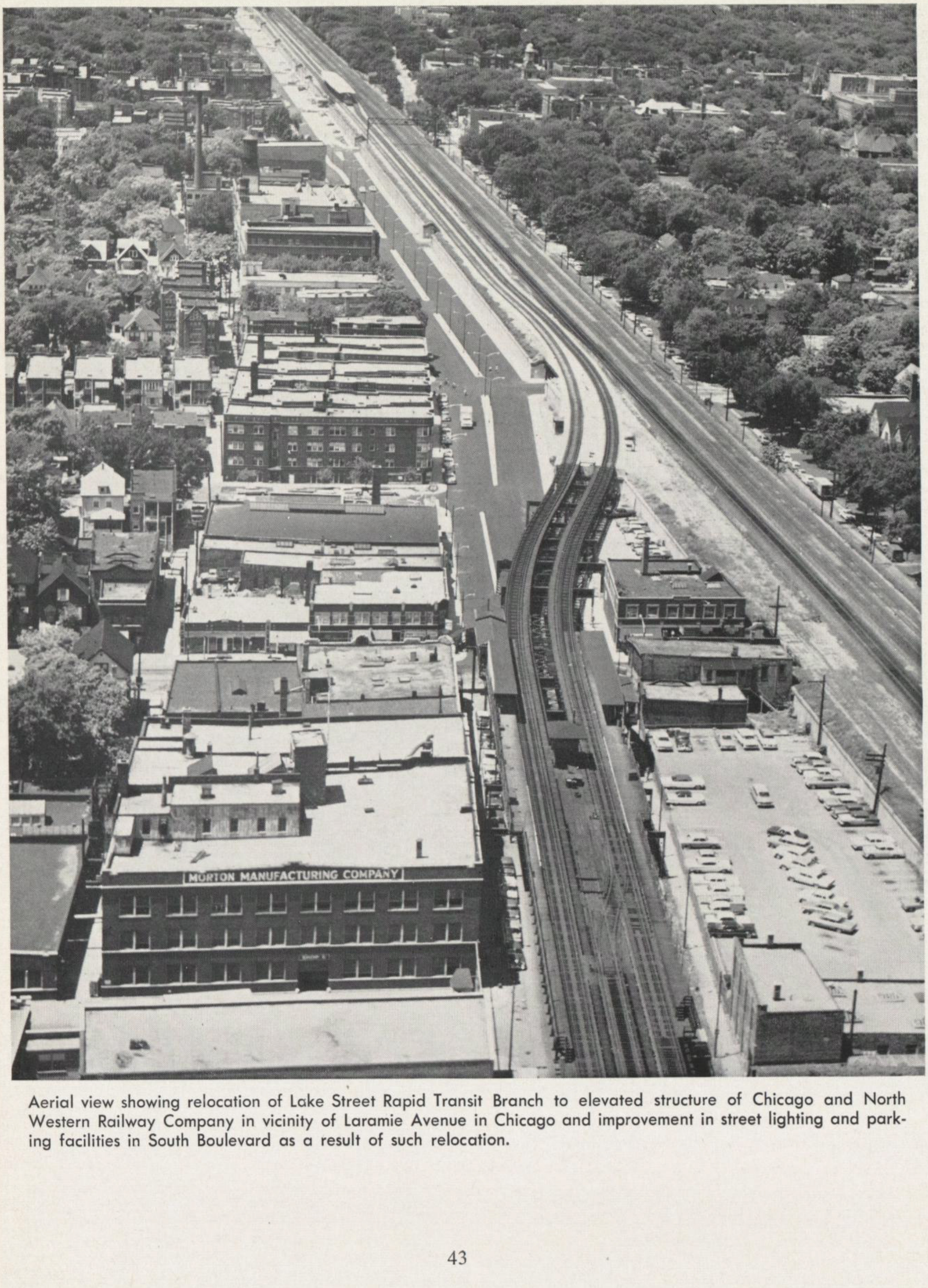
Route and Number	Effective Date	Description of Change
43rd-Root (43)	9- 8-63	Extended the east terminal, to be operated via 43rd Oakenwald, 42nd Place, Berkeley and 43rd.
Addison (152)	9- 9-63	Rerouted six Addison Street trips to provide special service for the quit at Gordon Technical High School. These trips were routed to pull out from Keeler Station via Pulaski, Irving Park and California Avenue, serve the school and then operate west on Addison Street over the regular route.
North Damen (50)	9- 9-63	Discontinued use of off-street terminal at Damen-Fullerton.
Stony Island (28)	10- 2-63	Rerouted two trips to provide special service for the quit at Mt. Carmel High School. These trips pull out from 77th Station via Vincennes, Wentworth, 63rd, Dorchester and 64th, load at 64th-Harper and operate east on 64th and south over the regular Stony Island routing.
Broadway (36) Division Street (70)	10-27-63	With opening of the new Dearborn Street bridge, northbound buses were rerouted to operate north on Dearborn, east on Kinzie and then over the regular route.
Clark Street (22)	10-27-63	With opening of the new Dearborn Street bridge, northbound buses were rerouted to operate north on Dearborn west on Erie and then over the regular route.
Douglas (136)	11-18-63	Rerouted buses to operate via Central Park, Polk and Independence in both directions during the period from about 6:00 A.M. to 7:00 P.M.
Ogden Avenue (58)	12- 1-63	Curtailed service west of Pulaski Road. The use of a terminal "U" turn on Cermak at Karlov was made so only alternate trips operate west of that location throughout the period from 5:00 A.M. until 1:00 A.M. next day on all days of the week.
Vincennes Express (111A)	12- 2-63	A Vincennes Express bus operation was inaugurated this date. This routing and service operates during weekday rush hours only. The northbound A.M. rush service operates between 111th-Harding Loop and Clark-Wacker via the regular Vincennes-111th routing through the 79th-Halsted Loop and the regular Wentworth routing of Emerald, 79th, Vincennes and then via 75th Street to the Dan Ryan (South) Expressway on the northbound 75th Street ramp. Thence via the Expressway to the 31st Street northbound ramp and then follow the regular Wentworth routing via the northbound service drive of the Expressway, 26th, Wentworth, Cermak, Harrison, Dearborn and terminating the trips at Wacker Drive and Clark Street. Returning after the morning trip, buses are routed via Clark Street, Eisenhower (Congress) Expressway and the Dan Ryan (South) Expressway to the 75th Street exit and over the northbound route. The northbound afternoon trips leave the regular Vincennes-111th route at 79th-Halsted Loop and operate via the Wentworth route of Emerald, 79th, Vincennes and then via 75th, entering the Expressway at 75th Street. The route is then via Dan Ryan (South) Expressway and Eisenhower (Congress) Expressway exiting at Wacker Drive exit and the Wacker Drive upper level to Wacker-Clark. The southbound trips are via the regular Wentworth route of Clark, Archer, Wentworth to the 31st Street entrance ramp of the Dan Ryan (South) Expressway and via the Expressway, exiting at 75th Street and then via 75th and the Wentworth route of Vincennes, 79th and Emerald Avenue to 79th-Halsted Loop, where they resume the regular Vincennes-111th route to 111th-Harding Loop.

Vincennes Express (111A) Continued	12- 2-63	A special fare structure applies to these buses. It is the regular basic adult, child or student fare plus 5c, which entitles the rider to a transfer if desired. This fare applies to the entire northbound trip and to the southbound trip at any point north of the 79th-Halsted Loop.
Garfield Limited (6)	12- 2-63	Certain Garfield limited northbound A.M. and southbound P.M. trips were routed to use the Dan Ryan (South) Expressway Between 55th Street and 35th Street. Northbound trips exit at 35th Street and operate via 35th, State, Cermak and then over the regular route on Wabash Avenue. Southbound trips operate over the regular route to Michigan-35th and then via 35th and the Dan Ryan (South) Expressway and Garfield Blvd.
East Belmont (77B)	12- 2-63	Extended route to operate via Lake Shore Drive, Diversey and Sheridan Road in the east terminal area.
Vincennes-111th (111A)	12- 2-63	Extended route during weekday rush hours to operate to the 59th-Wentworth Rapid Transit station. There was no change in operation south of the 79th-Halsted Loop, but from this loop the extended trips operate via Emerald, 79th, Vincennes, Wentworth to 59th-Wentworth Rapid Transit station. These trips return via 59th Street overpass and the southbound service drive of Dan Ryan (South) Expressway, Wentworth, Vincennes, 79th, Emerald to 79th-Halsted Loop and then over the regular route. (Also see Vincennes Express inaugurated 12/2/63.)

The foregoing route and terminal changes do not include numerous temporary reroutings caused by civic improvements and/or natural forces.



Reconstruction and automation of the Kimball Avenue Yard, Ravenswood Branch. Four turnouts and one diamond crossover were manufactured and completely spiked to ties in 50-foot sections and placed on flatcars from which they were placed in proper position by cranes. This work was completed over the Labor Day weekend.



Aerial view showing relocation of Lake Street Rapid Transit Branch to elevated structure of Chicago and North Western Railway Company in vicinity of Laramie Avenue in Chicago and improvement in street lighting and parking facilities in South Boulevard as a result of such relocation.

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